



BrightonSM

CITY OF BRIGHTON, COLORADO



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the year ended December 31, 2024

CITY OF BRIGHTON, COLORADO

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2024

Prepared by
Finance Department

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Jessica Holbrook, Accounting Manager

Available online at
www.brightonco.gov

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INTRODUCTORY SECTION



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June 9, 2025

To the Honorable Mayor, Members of City Council, Residents and Stakeholders of the City of Brighton, Colorado:

We submit, for your information and review, the Annual Comprehensive Financial Report for the City of Brighton, Colorado (the City or Brighton), for the year ended December 31, 2024. This report consists of management's representations concerning the finances of the City. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the City. The City has included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

The City's charter and state law require an audit by independent certified public accountants selected by the City Council. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2024 are free of material misstatements. The City's financial statements, which include all funds under the control of City Council as well as the financial statements of component units, have been audited by RubinBrown, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit evidence obtained, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2024, are fairly presented in conformity with accounting principles generally accepted in the United States of America (US GAAP). The independent auditors' report is presented as the first component of the financial section of this report.

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

PROFILE OF THE CITY OF BRIGHTON

The City was incorporated in 1887 and chartered as a home-rule city in 2000. Brighton is located in Adams and Weld Counties, which is in the northeast Denver Metropolitan area, and is the county seat for Adams County. Brighton is a freestanding community, visually and physically separated from the Denver Metropolitan region, with a rich agricultural history, diverse housing, employment, services, recreation, and entertainment. It has a historic Downtown that anchors the City's small-town identity and its original neighborhoods. The

INTRODUCTORY SECTION

City currently occupies nearly 22 square miles and serves a population of approximately 45,000.

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

Brighton is empowered to levy sales, use, and lodging taxes within its boundaries. In 2024, the mill levy for property tax remained at 6.65 mills upon each dollar of the total assessed valuation for all taxable property within the City. The 2024 property taxes collected were based on the net assessed valuation for the City, as certified by the Adams and Weld County Assessors, which was \$930,431,990 and \$137,998,085, respectively. The City also is empowered by state statute to extend its corporate limits by annexation, which it has done from time to time.

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

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

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

Brighton provides financial support and exerts influence over three legally separate entities which are reported as component units within the financial statements. These component units include the Brighton Urban Renewal Authority, the Brighton Economic Development Corporation, and the Brighton Cultural Arts Commission. In the first quarter of 2024, the City separated from its role as the Brighton Cultural Arts Commission’s fiscal agent. Additional

information on these legally separate entities can be found in the notes to the financial statements.

Brighton's budget is adopted on a calendar year basis as required by Article X of the Charter. The budget presents a complete financial plan for all estimated revenues, other financing sources, expenditures, and other financing uses. This annual budget serves as the foundation for the City'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 2024, the City redefined and made progress on several Vision Areas:

Organizational Excellence

The City maintained its focus on innovation through Brighton Performance and Leadership Academy, a 5-week program that gives employees tools and training to make meaningful changes in their operations. The program to date has generated more than \$1 million in annual savings from efficiencies implemented by participants.

Teams across the city continued to work towards improvement. Examples include:

- The launching of a new and improved employee intranet to provide enhanced communication among all employees.
- The reorganization of utility billing routes that reduced the number of billing processes undertaken each month and improved maintenance efficiency by route as the routes were better organized geographically.
- The development of a recruitment video to convey the City's values and mission to potential candidates.

Strategic Growth & Infrastructure

Brighton is focused on development that is intentional and balanced, and that meets the needs of our residents and businesses. The City worked on a number of significant capital projects in 2024, all aimed at preparing the City for future growth. These included:

- The construction of widening Bridge Street, a significant and necessary project for our growing community.
- The continued construction of a new water treatment plant that will increase capacity as well as provide enhanced treatment to address emerging contaminants.
- The upgrade of the South Outfall Channel which provides flood protection and supports future growth.
- The construction of a new Municipal Service Center that provides staff with centralized and improved facilities for the Parks & Recreation, Utilities, Public Works, and Facilities & Fleet Teams.

Transportation Adaptability

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The City recognizes the importance of transportation and the need for diverse forms of transportation. In 2024, City Council adopted the City's first sustainability plan. This plan addresses a variety of sustainability goals, including sustainable mobility.

The City received a grant from the Regional Transportation District to create a new micro-transit program to provide door to door, on demand transit service throughout the City. The program was approved in 2024 and will be launched in 2025.

Community Engagement

City staff are encouraged to engage with members of the community. Throughout the year, the City hosts a variety of events that include public engagement, including the City BBQ. Additionally in 2024, the Communications Department launched a new bi-weekly "City Council Recap" video series to summarize actions taken by Council in an easy to digest format.

New in 2024 was the City's first Civic Academy. This seven-week program invites members of the public to attend various sessions to learn about the City and how it operates. This program was attended by 17 participants this year. Additionally, the Police Department hosted the 2024 Community Academy, giving it's 25 participants an opportunity to learn more about public safety and engage directly with officers.

Destination for Recreation and Cultural Amenities

Brighton is a popular destination for recreation activities, with more than 150,000 recreation center visits and more than 40 tournaments held throughout the year. With such high demand, the City began design of an expansion of the recreation center with construction scheduled to be completed in 2026. At the Brighton Sports Complex, new shade structures were installed over seating and dugouts to make it a more comfortable experience for both players and fans.

The City continued it's focus on arts and culture in 2024 with the installation of seven murals on traffic signal boxes through the City. The murals were designed by local artists and selected by a local committee, with two of the selections going to young artists.

Fiscal Resilience

The City renewed its focus on sales tax collection in 2024 with an increase in audit activity. The Sales Tax team assessed or liened nearly \$1 million in revenue owed to the City. The team also managed the addition of approximately 1200 new business accounts which resulted in more remote sellers remitting tax to the City.

The Procurement Team, in partnership with the City Attorney's Office, facilitated the signing of more than 475 contracts, ensuring the City's purchases are well negotiated and agreements are in place where necessary.

Rate studies were completed for water usage rates and impact fees, with new rates being applied in April 2024 and 2025 rates being approved during the budget process. The impact fee rate study was also completed and new rates were proposed and approved during the 2025 budget process with new rates taking effect in January 2025.

Economic Acceleration

Brighton is a City that continues to grow and works to attract priority businesses that create jobs and support growth. In 2024, the City implemented new procedures to license up to four marijuana dispensaries, bringing a new industry to our community.

In partnership with the Economic Development Corporation and the Brighton Urban Renewal Authority, various grants were provided to local businesses to support enhancements to their facilities and facades.

Safe and Healthy Community

The City strives to provide residents with a safe and healthy place to live. In 2024, the Brighton Police Department implemented several programs to support this goal, including critical response training in partnership with the 27J School District and implementation of a new grant funded auto-theft prevention program.

The Utilities Department launched the “Protecting Brighton from Lead” program to investigate any potential lead water service lines and support residents in removing and replacing those lines.

LOCAL ECONOMY

Brighton’s local economy has continued to grow. The City is a highly desired location with close proximity to the Denver Metro area and plenty of land for development. This resulted in the issuance of 675 single family building permits in 2024, one of the largest years on record. That increase in housing brings new families to the community where they eat, shop and play.

While sales tax growth was relatively flat in 2023, the results in 2024 were promising, showing an increase of roughly 8%. This was driven in large part by increased audit activity, but also by population growth which is expected to continue for the next several years. A number of new businesses have opened in Brighton in late 2024 or are scheduled to open in 2025, and the recent allowance for marijuana dispensaries brings a new industry and new revenue source to the City.

The unemployment rate for the Denver-Aurora-Lakewood Metropolitan area in which Brighton resides was 4.6% in December 2024, up 0.9% compared to the prior year’s rate of 3.7% (Bureau of Labor Statistics). This is slightly higher than the national rate of 4.1% for the same period.

The inflation rate in the Denver-Aurora-Lakewood Metropolitan area was 2.27% at the end of 2024, lower than the national average of 2.90%.

Brighton’s population in 2024 was approximately 44,000 with significant residential development growth in 2024. The City experienced a slowing in residential growth in late 2023 as the Federal Reserve’s interest rate actions began to impact the housing market. Development activity rebounded at a healthy level in 2024.

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As with most Colorado Front Range communities, water availability is a major component of economic growth in Brighton. To ensure that adequate water supplies are available, the City continues to manage its resources through water conservation and acquisition as well as the construction of a new water treatment plant slated for completion in 2027. Additionally the City's municipal code was updated in 2023 to require most new development to bring water shares at the time of development, rather than being allowed to pay a fee-in-lieu of water dedication.

FOR THE FUTURE

The City's plans for 2025 includes approximately \$255 million in spending with a focus on continuing and completing several multi-year capital projects and ensuring a focus on City Council's strategic plan and vision areas. This budget also considers increased operating costs due to a combination of inflationary pressures and a competitive labor market.

The 2025 Budget includes funding to continue work on several significant projects that started in the previous year, including the construction of a new water treatment plant, expansion of the Brighton Recreation Center, design and construction of a new outdoor recreation complex, and the expansion and enhancements to Bridge Street. The plan also includes funding for a two-year project to replace the City's financial system.

AWARDS AND ACKNOWLEDGEMENTS

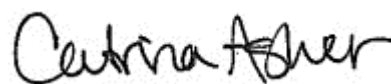
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Brighton for its annual comprehensive financial report for the year ended December 31, 2023. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this 2024 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 in maintaining the highest standards of professionalism and in the development of effective policies relating to the City's finances.

Respectfully submitted,



Michael Martinez
City Manager



Catrina Asher, CPA, CPFO
Finance Director

GFOA Certificate of Achievement



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

**City of Brighton
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2023

Christopher P. Morill

Executive Director/CEO

INTRODUCTORY SECTION

CITY LEADERSHIP

CITY COUNCIL

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

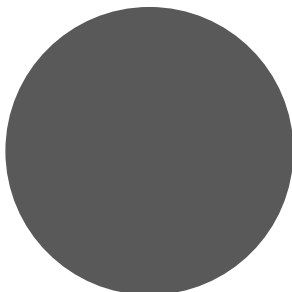
Leadership listed are those in office at the time of issuance of this report.



Gregory Mills
Mayor
Term Ends 2026



Peter Padilla
Mayor Pro Tem
Ward 4
Term Ends 2026



Vacant
Ward 1



Tom Green
Ward 1
Term Ends 2028



Jim Snyder
Ward 2
Term Ends 2028



Ann Taddeo
Ward 2
Term Ends 2026



Chris Fiedler
Ward 3
Term Ends 2028



Jan Pawlowski
Ward 3
Term Ends 2026



Lloyd Worth
Ward 4
Term Ends 2028

ADMINISTRATIVE LEADERSHIP

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

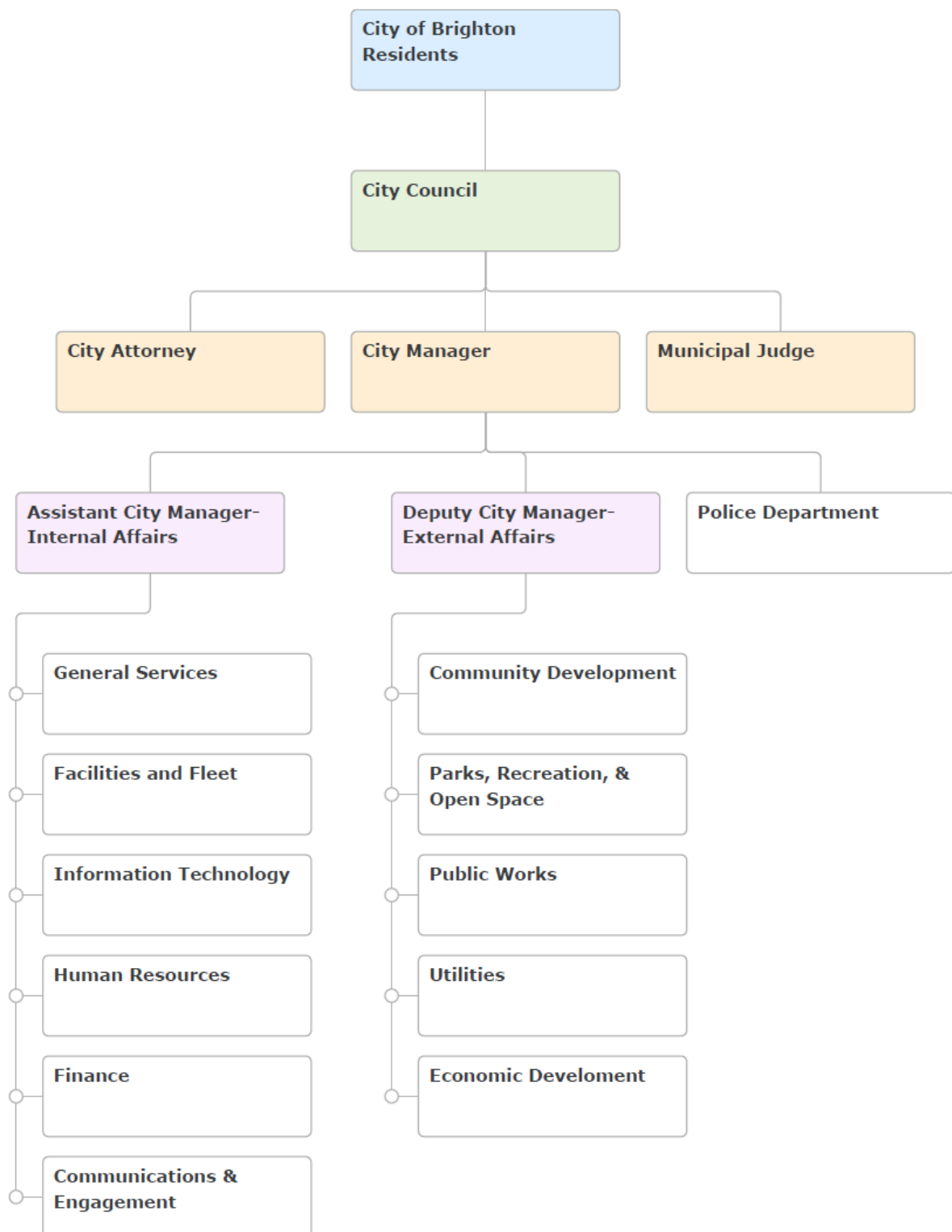
The City Attorney and Municipal Judge are appointed by and report to City Council.

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

City Manager	Michael Martinez
Deputy City Manager	Marv Falconburg
Assistant City Manager.....	Karen Borkowski-Surine
City Attorney	Alicia Calderón
Chief of Police	Matt Domenico
City Clerk	Natalie Hoel
Director, Communications & Engagement.....	Kristen Chernosky
Director, Community Development.....	Holly Prather
Director, Economic Development	Robin Martinez
Director, Facilities	Patrick Rome
Director, Finance	Catrina Asher
Director, Human Resources	Kevin Young
Director, Information Technology.....	Chris Neves
Director, Parks and Recreation.....	Travis Haines
Director, Public Works	Greg Labrie
Director, Utilities	Scott Olsen

INTRODUCTORY SECTION

City Organizational Chart



FINANCIAL SECTION



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Independent Auditors' Report

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

Report On The Audit Of The Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of City of Brighton, Colorado (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis Of Matter

Correction Of An Error In Previously Issued Financial Statements

As described in Note 1, the beginning net position of the governmental activities, the business-type activities, the Water Fund and Brighton Urban Renewal Authority (BURA) and the beginning fund balance of the Impact Fee has been restated to correct misstatements. Our opinion is not modified with respect to this matter.

Change In Reporting Entity

As described in Note 1 to the financial statements, the City restated beginning net position and fund balance as a result of a change in the reporting entity . Our opinion is not modified with respect to this matter.

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

Responsibilities Of Management For The Financial Statements

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

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

Auditors' Responsibilities For The Audit Of The Financial Statements

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

In performing an audit in accordance with auditing standards generally accepted in the United States of America, we:

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 21 through 31, budgetary comparison information on page 93, the schedule of the City's proportionate share of the net pension liability (asset) and the schedule of the City's contributions to the pension plan and related ratios on pages 94 and 95 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual financial statements and schedules for the nonmajor funds, enterprise funds, internal service funds, and component units are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual financial statements and schedules for the nonmajor funds, enterprise funds, internal service funds, and component units are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

RubinBrown LLP

June 9, 2025

FINANCIAL SECTION

MANAGEMENT'S DISCUSSION AND ANALYSIS



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FINANCIAL HIGHLIGHTS

As management of the City of Brighton (the City), we offer the readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the year ended December 31, 2024. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report, and the City's financial statements, which follow this section.

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2024 by \$617.1 million (net position). Of this amount, \$92.1 million is unrestricted in the governmental activities and may be used to meet the City's ongoing obligations.
- Citywide net position increased \$78.1 million (14.5%) in 2024. The governmental net position increased by \$32.3 million (10.7%) and the business-type net position increased by \$45.8 million (19.3%) compared to the prior year restated net position.
- The General Fund, the City's primary operating fund, ended the year with a total fund balance of \$40.7 million. This represents a decrease of \$12.1 million (22.9%) compared to the prior year. Of this amount, \$23.1 million (56.7%) is available for spending at the government's discretion (unassigned fund balance).
- The City's governmental activities generated revenues of \$110.9 million, a decrease of \$4.7 million (4.1%) compared to the prior year's restated revenues. The City's primary revenue source is sales, use and other taxes, which totaled \$62.5 million, reflecting an increase of \$8.9 million (16.6%) compared to the prior year. This was offset by a combined decrease of \$12.5 million (36.8%) in operating and capital grant revenues.
- Citywide governmental activities expenses totaled \$78.8 million, an increase of \$8.5 million (12.1%) in comparison with the prior year.
- Capital Assets increased citywide by \$39.8 million (21.4%) compared to the previous year's restated balance, resulting in an ending balance of \$560.0 million.
- Citywide debt balances, including unamortized premiums, decreased by \$1.9 million (7.7%). Payments on all outstanding debt obligations were made according to established debt service schedules.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

FINANCIAL SECTION

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

Government-wide Financial Statements

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

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

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

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

The government-wide financial statements begin on page 35 of this report.

The government-wide financial statements include not only the City of Brighton itself, known as the primary government, but also three separate legal entities referred to as component units. These include the Brighton Urban Renewal Authority (BURA), the Brighton Cultural Arts Commission (BCAC), and the Brighton Economic Development Corporation (BEDC). These organizations receive a significant portion of their funding from the City, and/or the City exerts influence over these organizations through positions on their governing boards. Financial information for these component units is reported separately from the financial information for the primary government itself and combining statements for the component units being on page 122 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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 40.

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

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

The basic governmental funds financial statements begin on page 37 of this report.

Proprietary Funds

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water and Wastewater funds meet the criteria to be considered major funds. The Storm Drainage does not meet the criteria to be a major fund but is treated as major for consistency and presentation purposes. These three funds are

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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 41 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 47 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with non-major governmental funds and proprietary funds are presented immediately following the basic financial statements. Combining statements and budgetary schedules can be found beginning on page 99 of this report. This report also contains a compliance section which includes the Local Highway Finance Report can be found beginning on page 147 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City's assets and deferred outflows exceed liabilities and deferred inflows of resources by \$617.1 million at the close of the most recent fiscal year.

The City uses its capital assets to provide services to the citizens. At the end of 2024, the investment in capital assets (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets, amounted to \$460.1 million, or 74.6% of the City's total net position of \$617.1 million. During the current fiscal year, the City's total net position increased by \$78.1 million (23.7%) compared to the prior year's restated net position.

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

	Net Position As of December 31,					
	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2023		2023		2023	
	2024	as restated	2024	as restated	2024	as restated
Current and Other Assets	\$ 150,928,832	\$ 159,162,495	\$ 98,091,317	\$ 131,034,595	\$ 249,020,149	\$ 290,197,090
Capital Assets	225,836,772	186,046,714	334,177,437	254,581,363	560,014,209	440,628,077
Total Assets	376,765,604	345,209,209	432,268,754	385,615,958	809,034,358	730,825,167
Deferred Outflow of Resources	4,593,547	5,122,679	-	-	4,593,547	5,122,679
Long-term Liabilities	24,931,994	27,048,981	131,846,750	134,565,167	156,778,744	161,614,148
Other Liabilities	15,432,714	12,959,883	16,835,937	13,359,091	32,268,651	26,318,974
Total Liabilities	40,364,708	40,008,864	148,682,687	147,924,258	189,047,395	187,933,122
Deferred Inflow of Resources	7,490,096	8,985,455	-	-	7,490,096	8,985,455
Net Position						
Net Investment in Capital Assets	201,111,834	161,385,988	258,991,194	226,328,137	460,103,028	387,714,125
Restricted	40,333,215	29,091,934	-	74,532,542	40,333,215	103,624,476
Unrestricted	92,059,298	110,859,647	24,594,873	(63,168,979)	116,654,171	47,690,668
Total Net Position	\$ 333,504,347	\$ 301,337,569	\$ 283,586,067	\$ 237,691,700	\$ 617,090,414	\$ 539,029,269

Governmental Activities Analysis

Governmental activities increased the City's net position by \$32.2 million. The following factors contributed to this increase (see Table "Changes in Net Position"):

- Grants and Capital Contributions decreased by a combined \$12.5 million (37.5%) due to several one-time grants received in the prior year that did not recur.
- Tax revenues increased by \$8.9 million (16.6%) due to increases in all tax categories. Property taxes increased with added development and increased property values in the most recent assessment year. Sales taxes increased due to new business additions and population growth combined with strong results from sales tax audits. Use tax, which is charged on new construction, increased as the City had a strong development year and issued more permits than usual.
- Investment Earnings decreased \$1.1M (16.3%) as cash reserves were utilized on planned projects resulting in lower levels of cash available for investment.

FINANCIAL SECTION

- Net transfers increased as the City made a transfer from the General Fund, a Governmental Activity, to the Water Fund, a Business-Type Activity, to support capital projects occurring in that fund. The General Fund also forgave a loan payment due from the Storm Drainage Fund, resulting in a transfer to that fund.
- Spending on General Government, Public Safety, and Streets & Fleet all increased between 9.3% and 11.8% due primarily to increased staffing levels as new positions were added in 2024 and increased salaries and benefits as the City increased its retirement match and implemented the results of a broad market rate study that impacted a large number of employees. These categories also saw inflation related cost increases across a variety of categories.
- Spending on Parks and Recreation increased \$2.5 million (20.8%) due to the same factors impacting other categories mentioned above. This category reflects the cost of watering the City's park infrastructure, and increased water rates had a larger impact on this category.

Business-Type Activities Analysis

Business-Type activities increased the City's net position by \$45.9 million. Below is information regarding business-type activities (see Table "Changes in Net Position"):

- Charges for Services increased \$5.8 million (23.2%) as rate increases were implemented in the funds and new users were added as the City experienced strong growth rates.
- Capital Grants and Contributions decreased from the prior year restated balance by \$28.6 million (63.1%). There was a prior period adjustment that recognized \$37 million in water rights that were dedicated in previous years that had not been recorded in the financial statements. Refer to Note 1 for further information. Without the prior period adjustment, this category increased by \$10 million (22.1%) due to increased impact fee rates implemented in 2024 and very strong permit issuance results.
- Investment Earnings decreased \$1.8 million (44.1%) as unspent bond proceeds and other cash reserves were utilized resulting in less cash available for investment.
- Miscellaneous revenue increased \$1.5 million (91.5%) as the utilities team executed several limited term access agreements and renegotiated rates charged on miscellaneous agreements.
- Net transfers increased as the City made a transfer from the General Fund, a Governmental Activity, to the Water Fund, a Business-Type Activity, to support capital projects occurring in that fund. The General Fund also forgave a loan payment due from the Storm Drainage Fund, resulting in a transfer to that fund.
- Water expenses decreased \$2.2 million (9.5%) as the City chose to waive the normal administrative fee charged to the fund in support of significant capital projects occurring in the fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS

- Wastewater expenses decreased \$44.8 million (406.0%) due to a one-time payment that was made in the prior year to finalize the buy-in of services with Metro Water Recovery, one of the City's wastewater processors.

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

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023 as restated	2024	2023 as restated	2024	2023 as restated
Revenues						
Program Revenues						
Charges for Services	\$ 12,591,058	\$ 12,012,295	\$ 30,832,027	\$ 25,016,898	\$ 43,423,085	\$ 37,029,193
Operating Grants and Contributions	8,893,614	14,192,087	204,554	98,628	9,098,168	14,290,715
Capital Grants and Contributions	12,478,523	19,649,479	45,283,980	73,844,752	57,762,503	93,494,231
General Revenues						
Taxes	62,515,341	53,631,545	-	-	62,515,341	53,631,545
Investment Earnings (Loss)	5,436,854	6,495,292	4,180,963	6,024,776	9,617,817	12,520,068
Oil & Gas Royalties	7,692,493	8,131,929	-	-	7,692,493	8,131,929
Miscellaneous	2,634,848	1,538,043	1,635,282	138,431	4,270,130	1,676,474
Sale of Capital Assets	94,507	2,089	(65,135)	33,121	29,372	35,210
Transfers	(1,413,067)	-	1,413,067	-	-	-
Total Revenues	110,924,171	115,652,759	83,484,738	105,156,606	194,408,909	220,809,365
Expenses						
General Government	21,846,837	19,544,866	-	-	21,846,837	19,544,866
Public Safety	18,295,822	16,741,724	-	-	18,295,822	16,741,724
Streets and Fleet	19,974,476	17,947,912	-	-	19,974,476	17,947,912
Parks and Recreation	14,393,786	11,913,144	-	-	14,393,786	11,913,144
Cemetery	817,878	701,567	-	-	817,878	701,567
Community Development	2,723,864	2,671,702	-	-	2,723,864	2,671,702
Interest on Long-Term Debt	704,730	752,920	-	-	704,730	752,920
Water	-	-	23,672,640	25,914,632	23,672,640	25,914,632
Wastewater	-	-	11,045,731	55,893,035	11,045,731	55,893,035
Storm Drainage	-	-	2,872,000	2,893,059	2,872,000	2,893,059
Total Expenses	78,757,393	70,273,835	37,590,371	84,700,726	116,347,764	154,974,561
Increase (Decrease) in Net Position	32,166,778	45,378,924	45,894,367	20,455,880	78,061,145	65,834,804
Net Position, January 1	301,337,569	255,958,645	237,691,700	217,235,820	539,029,269	473,194,465
Net Position, December 31	<u>\$ 333,504,347</u>	<u>\$ 301,337,569</u>	<u>\$ 283,586,067</u>	<u>\$ 237,691,700</u>	<u>\$ 617,090,414</u>	<u>\$ 539,029,269</u>

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

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

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2024, the total Governmental Funds fund balance was \$125.0 million, a decrease of \$10.7 million (7.9%) compared to the prior year's restated fund balance. Fund Balances are categorized as follows: non-spendable fund balances of \$769 thousand,

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restricted fund balances \$15.4 million, committed fund balances of \$34.2 million, assigned fund balances of \$51.5 million, and unassigned fund balances of \$23.1 million.

The General Fund is the main operating fund of the City. General Fund revenues for 2024 totaled \$62.2 million, an increase of \$7.3 million (13.3%) compared to the previous year. Tax revenues in total increased \$7.9 million (18.6%) which was driven by increases in all tax categories. Sales tax revenues increased \$2.4 million (8.9%) as the City benefited from the addition of new businesses and strong results from sales tax compliance audits. Use tax revenues increased \$2.4 million (34.5%) as the City issued a higher number of development permits than in the prior year. Property tax revenues increased \$2.3 million (46.0%) as new properties were developed and property values increased considerably in the most recent assessment cycle. General Fund spending totaled \$53.7 million, an increase of \$6.0 million (12.7%). Spending in general government increased \$2.4 million (15.1%) and public safety increased \$2.1 million (12.4%). Increases in both categories were due to a combination of added staffing positions which increases payroll and benefit costs, the implementation of a broad market adjustment that increased salaries for a large number of employees, and inflationary impacts that affected utility and water costs, as well as other operational spending. Transfers out totaled \$20.8 million and were \$6.5 million (45.2%) higher than the prior year. The transfers included contributions to the Capital Improvement and Parks and Recreation Capital Improvement Funds to support projects in those funds as discussed below and in Note 5. Overall, the fund's revenues and transfers-in were \$12.1 million less than spending and transfers-out, reflecting an intentional spend down of reserves to support capital projects, bringing ending fund balance to \$40.7 million.

The Capital Improvement Fund revenues totaled \$20.9 million, a decrease of \$552 thousand (2.6%) compared to the prior year. Sales tax revenues increased \$1.2 million (16.1%) as the City benefited from the addition of new businesses and strong tax compliance audit results. This fund also had sales tax revenues subject to rebate agreements that ended, allowing the fund to retain a larger portion of taxes collected. Capital Improvement Fund expenditures totaled \$37.3 million, an increase of \$16.9 million (83.2%). This significant increase was driven by a large road widening project and construction of a municipal service center, both primarily categorized under Streets and Fleet. As this fund is project oriented, spending will vary from year to year. Net transfers to the fund were \$1.5 million greater than in the prior year as impact fees were transferred to the fund to support street expansion projects. The fund's revenues and transfers-in were \$10.0 million less than spending and transfers-out by \$4.6 million, reflecting an intentional use of reserves on planned capital projects, bringing the ending fund balance to \$30.1 million.

The Parks and Recreation Capital Improvement Fund's revenues totaled \$9.5 million, a decrease of \$4.1 million (30.2%) compared to the prior year. The decrease was driven by a \$6.0 million (86.6%) decrease in Grants and Intergovernmental funding as the fund received a large grant in 2023 for a property acquisition. This level of grant funding was not expected to recur. The decrease in this category was offset by smaller increases to sales tax revenues, investment earnings, miscellaneous revenue. Spending in this fund totaled \$15.4 million, a decrease of \$2.9 million (15.8%). The decrease was due in large part to the grant funded property acquisition that occurred in 2023 that also impacted revenues. This was offset by spending on capital projects planned for construction in 2025. The fund received transfers of

MANAGEMENT'S DISCUSSION AND ANALYSIS

\$16.5 million, an increase of \$1.2 million (8.0%) over the prior year and General Fund reserves were utilized to support the upcoming capital projects in this fund. The fund's revenues and transfers-in exceeded spending by \$10.6 million, which resulted in a fund balance of \$37.1 million as of year-end.

Proprietary Funds

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

The net position of the enterprise funds at year end totaled \$283.6 million, an increase of \$45.9 million (19.3%) compared to the prior year's restated net position. The increase was driven by the water fund which had a very strong development year and generated significant capital contributions from development permits which bolstered reserves. The Wastewater Fund ended the year with a negative net position due to an operating loan obtained in 2023 to refinance a buy-in and processing agreement. The combined unrestricted net position for all proprietary funds, including internal service funds, was \$28.5 million at year-end.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues totaled \$62.2 million which exceeded budgeted revenue by \$3.8 million (6.1%). Use tax revenues exceeded budget by \$2.6 million (28.4%) as development activity was stronger than anticipated. Development activity also impacted License and Permit revenues, which exceeded budget by \$1.9 million (69.5%). These revenues were offset by Charges for Services revenues that came in \$1.5 million (39.3%) below budget as the General Fund waived the administrative fee charged to the Water Fund in support of capital projects occurring in that fund.

General Fund expenditures totaled \$53.7 million, which was \$1.1 million (2.1%) less than final budgeted expenditures.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities amount to \$560.0 million (net of accumulated depreciation) as of December 31, 2024. This represents an increase of \$119.4 million (27.1%) compared to the prior year's restated balance. This investment in capital assets includes land, water rights, buildings and improvements, machinery, equipment, water, wastewater and storm drainage infrastructure as well as street system infrastructure (see Table 3 "Capital Assets (net of depreciation)"). The City has a five-year *Capital Improvement Plan* that is updated each year in order to assist the City in long-term planning and budgeting for capital assets.

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Additional detailed information on the City's Capital Assets can be found in footnote 4, starting on page 65 of this report.

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

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023 as restated	2024	2023 as restated
Land	\$ 38,610,193	\$ 35,854,960	\$ 10,900,562	\$ 11,013,128	\$ 49,510,755	\$ 46,868,088
Water Rights	2,035,900	2,036,050	71,600,839	64,866,522	73,636,739	66,902,572
Construction in Progress	47,361,239	16,767,278	101,730,956	37,577,418	149,092,195	54,344,696
Buildings and Improvements	32,176,809	30,470,077	8,956,931	9,802,075	41,133,740	40,272,152
Infrastructure	73,596,605	71,757,457	139,213,860	129,338,588	212,810,465	201,096,045
Improvements Other than Buildings	21,433,290	18,345,271	-	-	21,433,290	18,345,271
Machinery and Equipment	10,201,428	10,366,365	1,774,289	1,983,632	11,975,717	12,349,997
Other Assets	421,307	449,256	-	-	421,307	449,256
Total Capital Assets	<u>\$ 225,836,771</u>	<u>\$ 186,046,714</u>	<u>\$ 334,177,437</u>	<u>\$ 254,581,363</u>	<u>\$ 560,014,208</u>	<u>\$ 440,628,077</u>

Long-term Debt

As of December 31, 2024, the City had total borrowing obligations outstanding of \$152.5 million, including bonded debt and certificates of participation. This represents a decrease of \$5.1 million compared to the prior year. No debt was issued in 2024 and all payments were made according to borrowing agreements.

Of the City's total outstanding borrowing obligations, \$99.4 million represents bonds secured by specified revenue sources (i.e. revenue bonds) for water and wastewater projects. Another \$21.6 million represents borrowing secured through various City facilities through a structured lease agreement (certificates of participation). A direct placement loan in the Wastewater Fund contributes \$30.1 million to the borrowing total, and the remaining \$1.3 million represents a financed purchase agreement.

Additional detail information on the City's long-term obligations can be found in Footnote 6, starting on page 69 of this report. A summary of those obligations is provided in the following table.

Outstanding Debt
As of December 31,

	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES		TOTAL	
	2024	2023	2024	2023	2024	2023
Bonded Debt						
2016 Water Revenue Bonds	\$ -	\$ -	\$ 17,870,000	\$ 19,130,000	\$ 17,870,000	\$ 19,130,000
2022 Water Revenue Bonds	-	-	77,340,000	77,685,000	77,340,000	77,685,000
Bond Premiums	-	-	4,209,066	4,392,826	4,209,066	4,392,826
Certificates of Participation (COP)						
2016 COP	2,966,616	3,392,508	712,198	756,839	3,678,814	4,149,347
2020 COP	15,670,000	16,640,000	-	-	15,670,000	16,640,000
Borrowing Premiums	2,219,064	2,439,976	-	-	2,219,064	2,439,976
2023 Revenue Loan (Direct Placement)	-	-	30,144,000	31,599,000	30,144,000	31,599,000
2017 Financed Purchase	-	244,257	-	-	-	244,257
2023 Financed Purchase	1,321,377	1,321,377	-	-	1,321,377	1,321,377
Total Outstanding Debt	<u>\$ 22,177,057</u>	<u>\$ 24,038,118</u>	<u>\$ 130,275,264</u>	<u>\$ 133,563,665</u>	<u>\$ 152,452,321</u>	<u>\$ 157,601,783</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.

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BASIC FINANCIAL STATEMENTS



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BASIC FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

December 31, 2024

	PRIMARY GOVERNMENT			
	GOVERNMENTAL	BUSINESS-TYPE		COMPONENT
	ACTIVITIES	ACTIVITIES	TOTAL	UNITS
ASSETS				
Cash and Investments	\$ 132,827,527	\$ 65,545,460	\$ 198,372,987	\$ 9,681,957
Restricted Cash and Investments	2,685	28,380,686	28,383,371	1,801,807
Accounts Receivable	3,462,190	3,984,625	7,446,815	19,265
Taxes Receivable	11,326,373	-	11,326,373	5,588,096
Grants Receivable	812,979	-	812,979	-
Inventory	78,605	158,786	237,391	-
Prepays	769,356	21,760	791,116	-
Land Held for Resale	-	-	-	1,625,000
Miscellaneous	66,184	-	66,184	967
Capital Assets, Not Being Depreciated	88,007,332	184,232,357	272,239,689	42,340
Capital Assets, Net of Accumulated Depreciation	137,829,440	149,945,080	287,774,520	2,542,889
Total Assets	376,765,604	432,268,754	809,034,358	21,302,321
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charge on Refunding	-	-	-	62,274
Items Related to Pension Plan	4,593,547	-	4,593,547	-
Total Deferred Outflows of Resources	4,593,547	-	4,593,547	62,274
LIABILITIES				
Accounts Payable	5,823,335	10,280,499	16,103,834	1,280,904
Sales Tax Rebate Payable	-	-	-	3,472
Retainage Payable	2,547,881	3,435,665	5,983,546	-
Accrued Wages Payable	850,083	194,557	1,044,640	7,458
Accrued Interest Payable	49,790	255,734	305,524	4,373
Accrued Liabilities	959,422	-	959,422	-
Deposits and Escrows	5,202,203	1,086,549	6,288,752	12,431
Noncurrent Liabilities	-	-	-	-
Due Within One Year	4,750,730	3,756,213	8,506,943	995,919
Due in More Than One Year	20,181,264	128,090,538	148,271,802	2,062,314
Total Liabilities	40,364,708	148,682,687	189,047,395	4,366,871
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	6,394,126	-	6,394,126	5,588,096
Unavailable Revenue	218,419	-	218,419	-
Land Lease	597,246	-	597,246	-
Items Related to Pension Plan	219,123	-	219,123	-
Other Deferred Inflows of Resources	61,182	-	61,182	-
Total Deferred Inflows of Resources	7,490,096	-	7,490,096	5,588,096
NET POSITION				
Net Investment in Capital Assets	201,111,834	258,991,194	460,103,028	2,585,229
Restricted for:				
Emergencies - TABOR	3,241,496	-	3,241,496	-
Debt Service	-	-	-	1,801,807
Capital Projects	37,091,719	-	37,091,719	-
Unrestricted	92,059,298	24,594,873	116,654,171	7,022,592
Total Net Position	\$ 333,504,347	\$ 283,586,067	\$ 617,090,414	\$ 11,409,628

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

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STATEMENT OF ACTIVITIES

Year ended December 31, 2024

	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNITS
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT								
Governmental Activities								
General Government	\$ 21,846,837	\$ 2,146,793	\$ 3,291,947	\$ -	\$ (16,408,097)	\$ -	\$ (16,408,097)	\$ -
Public Safety	18,295,822	443,306	2,448,621	-	(15,403,895)	-	(15,403,895)	-
Streets and Fleet	19,974,476	-	2,228,119	10,909,851	(6,836,506)	-	(6,836,506)	-
Parks and Recreation	14,393,786	5,872,861	904,616	1,568,672	(6,047,637)	-	(6,047,637)	-
Cemetery	817,878	562,105	-	-	(255,773)	-	(255,773)	-
Community Development	2,723,864	3,565,993	20,311	-	862,440	-	862,440	-
Interest on Long-Term Debt	704,730	-	-	-	(704,730)	-	(704,730)	-
Total Governmental Activities	78,757,393	12,591,058	8,893,614	12,478,523	(44,794,198)	-	(44,794,198)	-
Business-Type Activities								
Water	23,672,640	18,929,051	204,554	35,545,627	-	31,006,592	31,006,592	-
Wastewater	11,045,731	10,061,276	-	5,019,301	-	4,034,846	4,034,846	-
Storm Drainage	2,872,000	1,841,700	-	4,719,052	-	3,688,752	3,688,752	-
Total Business-type Activities	37,590,371	30,832,027	204,554	45,283,980	-	38,730,190	38,730,190	-
Total Primary Government	\$ 116,347,764	\$ 43,423,085	\$ 9,098,168	\$ 57,762,503	(44,794,198)	38,730,190	(6,064,008)	-
COMPONENT UNITS								
Brighton Urban Renewal Authority	4,554,031	632,877	80,000	-	-	-	-	(3,841,154)
Brighton Cultural Arts Commission	57,343	-	-	-	-	-	-	(57,343)
Brighton Economic Development Corporation	125,136	64,500	82,613	-	-	-	-	21,977
Brighton Legacy Foundation	152,359	-	151,463	-	-	-	-	(896)
Total Component Units	\$ 4,888,869	\$ 697,377	\$ 314,076	\$ -	-	-	-	(3,877,416)
GENERAL REVENUES								
Taxes					62,515,341	-	62,515,341	6,940,558
Investment Earnings					5,436,854	4,180,963	9,617,817	430,136
Oil & Gas Royalties					7,692,493	-	7,692,493	340,004
Miscellaneous					2,634,848	1,635,282	4,270,130	258
Gain (Loss) on Sale of Capital Assets					94,507	(65,135)	29,372	-
Transfers					(1,413,067)	1,413,067	-	-
Total General Revenues					76,960,976	7,164,177	84,125,153	7,710,956
Change in Net Position					32,166,778	45,894,367	78,061,145	3,833,540
As Originally Stated					299,890,725	199,098,948	498,989,673	7,124,202
Prior Period Adjustments (Note 1)					1,446,844	38,592,752	40,039,596	451,886
As Restated					301,337,569	237,691,700	539,029,269	7,576,088
Net Position, December 31					\$ 333,504,347	\$ 283,586,067	\$ 617,090,414	\$ 11,409,628

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

BASIC FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS – BALANCE SHEET

December 31, 2024

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENT FUNDS
ASSETS					
Cash and Investments	\$ 40,382,760	\$ 33,482,815	\$ 37,353,891	\$ 17,655,746	\$ 128,875,212
Restricted Cash and Investments	-	2,685	-	-	2,685
Accounts Receivable	1,751,914	1,302,257	4,370	142,816	3,201,357
Taxes Receivable	9,446,939	1,190,051	661,686	27,697	11,326,373
Grants Receivable	325,452	-	487,527	-	812,979
Due from Other Funds	1,582,933	-	-	-	1,582,933
Prepays	101,817	667,539	-	-	769,356
Total Assets	<u>\$ 53,591,815</u>	<u>\$ 36,645,347</u>	<u>\$ 38,507,474</u>	<u>\$ 17,826,259</u>	<u>\$ 146,570,895</u>
LIABILITIES					
Accounts Payable	\$ 1,369,265	\$ 3,151,627	\$ 1,234,859	\$ 60,616	\$ 5,816,367
Retainage Payable	-	2,370,314	177,567	-	2,547,881
Accrued Wages Payable	817,515	-	-	12,677	830,192
Accrued Liabilities	551,122	-	-	-	551,122
Deposits and Escrows	3,535,919	997,514	3,329	665,441	5,202,203
Total Liabilities	<u>6,273,821</u>	<u>6,519,455</u>	<u>1,415,755</u>	<u>738,734</u>	<u>14,947,765</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue	218,419	-	-	-	218,419
Property Taxes	6,394,126	-	-	-	6,394,126
Total Deferred Inflows of Resources	<u>6,612,545</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,612,545</u>
FUND BALANCE					
Nonspendable	101,817	667,539	-	-	769,356
Restricted	2,399,569	1,310,422	9,770,806	1,927,135	15,407,932
Committed	15,132,930	3,950,681	-	15,160,390	34,244,001
Assigned	-	24,197,250	27,320,913	-	51,518,163
Unassigned	23,071,133	-	-	-	23,071,133
Total Fund Balance	<u>40,705,449</u>	<u>30,125,892</u>	<u>37,091,719</u>	<u>17,087,525</u>	<u>125,010,585</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balance	<u>\$ 53,591,815</u>	<u>\$ 36,645,347</u>	<u>\$ 38,507,474</u>	<u>\$ 17,826,259</u>	<u>\$ 146,570,895</u>

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

FINANCIAL SECTION

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION December 31, 2024

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

Total Fund Balance of Governmental Funds		\$ 125,010,585
Lease receivable arrangements are not current financial resources, therefore, are not reported in the funds.		66,184
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in governmental funds.		
Cost of capital assets	400,845,109	
Less: accumulated depreciation	<u>(175,008,337)</u>	225,836,772
Deferred inflows related to leases are applicable to future periods and, therefore, are not reported in the governmental funds.		
Land Lease	(597,246)	
Other Items Related to Leases	<u>(61,182)</u>	(658,428)
Deferred outflows and inflows of resources related to pension plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Items Related to Pension Plan - Outflows	4,593,547	
Items Related to Pension Plan - Inflows	<u>(219,123)</u>	4,374,424
Long-term obligations related to governmental activities are not due and payable in the current period and, therefore, not reported as liabilities in the governmental funds. Long-term liabilities at year end consist of:		
Long-term obligations, net of premium	(22,177,057)	
Accrued interest on long-term debt	<u>(49,790)</u>	(22,226,847)
Accrued compensated absences are not due from current financial resources and, therefore, are not reported in the governmental funds.		(2,754,937)
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>3,856,594</u>
Total Net Position of Governmental Activities		<u><u>\$ 333,504,347</u></u>

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

BASIC FINANCIAL STATEMENTS

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

Year ended December 31, 2024

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENT FUNDS
Revenues					
Taxes					
Sales	\$ 28,692,455	\$ 8,675,779	\$ 5,938,308	\$ -	\$ 43,306,542
Property	7,272,710	-	-	-	7,272,710
Use	9,297,524	-	-	-	9,297,524
Franchise	1,809,356	301,669	-	-	2,111,025
Other	42,891	5,216	-	479,433	527,540
Licenses and Permits	2,690,416	-	-	-	2,690,416
Grants and Intergovernmental	5,040,640	2,460,831	924,933	467,210	8,893,614
Charges for Services	4,822,794	-	-	4,708,998	9,531,792
Fines and Forfeitures	378,673	-	-	-	378,673
Investment Earnings	1,503,058	1,586,651	1,642,699	568,569	5,300,977
Sale of Capital Assets	120	94,387	-	-	94,507
Oil & Gas Royalties	-	7,692,493	-	-	7,692,493
Miscellaneous	618,419	48,282	997,809	16,783	1,681,293
Total Revenues	62,169,056	20,865,308	9,503,749	6,240,993	98,779,106
Expenditures					
Current					
General Government	18,315,647	2,020,013	-	621,679	20,957,339
Public Safety	18,765,271	216,690	-	-	18,981,961
Streets and Fleet	4,668,629	33,821,821	-	121,803	38,612,253
Parks and Recreation	9,242,546	116,443	14,150,005	146,652	23,655,646
Cemetery	-	-	-	764,227	764,227
Community Development	2,729,204	-	-	-	2,729,204
Debt Service					
Principal	-	882,561	757,589	-	1,640,150
Interest Expense and Fees	-	242,196	466,846	-	709,042
Total Expenditures	53,721,297	37,299,724	15,374,440	1,654,361	108,049,822
Excess (Deficiency) of Revenues Over Expenditures	8,447,759	(16,434,416)	(5,870,691)	4,586,632	(9,270,716)
Other Financing Sources (Uses)					
Transfers In	256,000	6,458,058	16,500,000	579,388	23,793,446
Transfers Out	(20,813,067)	-	-	(4,393,446)	(25,206,513)
Total Other Financing Sources (Uses)	(20,557,067)	6,458,058	16,500,000	(3,814,058)	(1,413,067)
Net Change in Fund Balance	(12,109,308)	(9,976,358)	10,629,309	772,574	(10,683,783)
Fund Balance, January 1 , as originally stated	52,814,757	40,102,250	26,462,410	14,868,107	134,247,524
Prior Period Adjustments (Note 1)	-	-	-	1,446,844	1,446,844
As Restated	52,814,757	40,102,250	26,462,410	16,314,951	135,694,368
Fund Balance, December 31	\$ 40,705,449	\$ 30,125,892	\$ 37,091,719	\$ 17,087,525	\$ 125,010,585

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

FINANCIAL SECTION

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

Year ended December 31, 2024

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

Net Change in Fund Balance of Governmental Funds	\$ (10,683,783)
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Lease arrangements are not financial resources; therefore, are not reported in the funds.	943,732
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Capital outlay to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives and reported as annual depreciation expense in the statement of activities.

Capital Outlay	43,553,949	
Developer Contributions	12,478,523	
Depreciation Expense	<u>(16,242,414)</u>	39,790,058

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

1,861,061

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	891,932	
Items related to pension plan	<u>(674,584)</u>	217,348

Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental

Change in compensated absences	(437,579)	
Change in accrued interest	<u>4,312</u>	(433,267)

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

471,629

Change in Net Position of Governmental Activities	<u>\$ 32,166,778</u>
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The notes to the financial statements are an integral part of this statement.

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

BASIC FINANCIAL STATEMENTS

PROPRIETARY FUNDS – STATEMENT OF NET POSITION

December 31, 2024

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets					
Cash and Investments	\$ 55,020,930	\$ 7,013,055	\$ 3,511,475	\$ 65,545,460	\$ 3,952,315
Restricted Cash and Investments	28,380,686	-	-	28,380,686	-
Accounts Receivable	2,092,070	1,615,742	276,813	3,984,625	260,833
Inventory	158,786	-	-	158,786	78,605
Prepays	21,760	-	-	21,760	-
Total Current Assets	85,674,232	8,628,797	3,788,288	98,091,317	4,291,753
Noncurrent Assets					
Capital Assets, Not Being Depreciated	178,555,120	2,965,136	2,712,101	184,232,357	-
Capital Assets, Net of Accumulated Depreciation	93,203,501	21,951,194	34,790,385	149,945,080	-
Total Noncurrent Assets	271,758,621	24,916,330	37,502,486	334,177,437	-
Total Assets	357,432,853	33,545,127	41,290,774	432,268,754	4,291,753
LIABILITIES					
Current Liabilities					
Accounts Payable	8,075,583	1,465,588	739,328	10,280,499	6,968
Retainage Payable	3,391,667	-	43,998	3,435,665	-
Accrued Wages Payable	132,151	44,718	17,688	194,557	19,891
Accrued Interest Payable	186,414	69,320	-	255,734	-
Deposits and Escrows	134,164	70,572	881,813	1,086,549	-
Estimated Unpaid Claims	-	-	-	-	408,300
Compensated Absences	216,633	105,119	20,968	342,720	-
Bonds Payable	1,597,349	1,816,144	-	3,413,493	-
Total Current Liabilities	13,733,961	3,571,461	1,703,795	19,009,217	435,159
Noncurrent Liabilities					
Compensated Absences	31,493	15,282	3,048	49,823	-
Accrued Arbitrage	1,178,943	-	-	1,178,943	-
Due to Other Funds	-	-	1,582,933	1,582,933	-
Bonds Payable	93,818,381	33,043,391	-	126,861,772	-
Total Noncurrent Liabilities	95,028,817	33,058,673	1,585,981	129,673,471	-
Total Liabilities	108,762,777	36,630,134	3,289,776	148,682,687	435,159
NET POSITION					
Net Investment in Capital Assets	201,331,911	20,200,795	37,458,488	258,991,194	-
Unrestricted	47,338,165	(23,285,802)	542,510	24,594,873	3,856,594
Total Net Position	\$ 248,670,076	\$ (3,085,007)	\$ 38,000,998	\$ 283,586,067	\$ 3,856,594

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

FINANCIAL SECTION

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

Year ended December 31, 2024

	BUSINESS-TYPE ACTIVITIES			GOVERNMENTAL ACTIVITIES	
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES					
Charges for Services	\$ 18,929,051	\$ 10,061,276	\$ 1,841,700	\$ 30,832,027	\$ 6,853,908
Tap Fees	204,554	-	-	204,554	-
Miscellaneous	1,351,626	230,784	52,872	1,635,282	-
Total Operating Revenues	20,485,231	10,292,060	1,894,572	32,671,863	6,853,908
OPERATING EXPENSES					
Operations	12,553,961	6,350,183	319,147	19,223,291	1,169,053
Administration	553,456	1,299,813	496,947	2,350,216	156,946
Insurance Claims	-	-	-	-	4,089,827
Insurance Premiums	-	-	-	-	1,093,536
Depreciation	6,234,097	1,688,212	1,891,026	9,813,335	-
Total Operating Expenses	19,341,514	9,338,208	2,707,120	31,386,842	6,509,362
Operating Income (Loss)	1,143,717	953,852	(812,548)	1,285,021	344,546
NONOPERATING REVENUES (EXPENSES)					
Grants and Intergovernmental	553,871	-	-	553,871	-
Developer Reimbursements	-	-	(164,880)	(164,880)	-
Sale of Capital Assets	(65,135)	-	-	(65,135)	-
Investment Earnings	3,848,290	226,060	106,613	4,180,963	135,877
Transfers In	1,300,000	-	113,067	1,413,067	-
Interest Expense and Fees	(4,331,126)	(1,707,523)	-	(6,038,649)	-
Total Nonoperating Revenues (Expenses)	1,305,900	(1,481,463)	54,800	(120,763)	135,877
Income (Loss) Before Capital Contributions	2,449,617	(527,611)	(757,748)	1,164,258	480,423
CAPITAL CONTRIBUTIONS	34,991,756	5,019,301	4,719,052	44,730,109	-
Change in Net Position	37,441,373	4,491,690	3,961,304	45,894,367	480,423
Net Position, January 1 (as originally stated)	172,635,951	(7,576,697)	34,039,694	199,098,948	3,376,171
Prior Period Adjustments (Note 1)	38,592,752	-	-	38,592,752	-
As Restated	211,228,703	(7,576,697)	34,039,694	237,691,700	3,376,171
Net Position, December 31	\$ 248,670,076	\$ (3,085,007)	\$ 38,000,998	\$ 283,586,067	\$ 3,856,594

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

BASIC FINANCIAL STATEMENTS

PROPRIETARY FUNDS – STATEMENT OF CASH FLOWS

Year ended December 31, 2024

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTEWATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from Customers	\$ 18,691,517	\$ 9,627,139	\$ 1,805,050	\$ 30,123,706	\$ 6,980,993
Other Receipts	1,351,626	230,784	(60,195)	1,522,215	-
Other Payments	-	-	-	-	(361,778)
Payments to Suppliers for Services Provided	(9,427,149)	(5,966,490)	(179,797)	(15,573,436)	(6,554,490)
Payments to Employees for Salaries and Benefits	(597,123)	(1,386,022)	(514,819)	(2,497,964)	-
Net Cash Provided (Used) by Operating Activities	10,018,871	2,505,411	1,050,239	13,574,521	64,725
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	34,991,756	5,019,301	4,719,052	44,730,109	-
Grants and Intergovernmental	553,871	-	-	553,871	-
Acquisition and Construction of Capital Assets	(78,706,104)	(5,261,590)	(5,441,715)	(89,409,409)	-
Developer Reimbursements	-	-	(164,880)	(164,880)	-
Proceeds from Sale of Capital Assets	(65,135)	-	-	(65,135)	-
Principal Paid on Capital Debt	(1,561,443)	(1,726,958)	-	(3,288,401)	-
Interest Paid on Capital Debt	(4,331,126)	(1,707,523)	-	(6,038,649)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	(49,118,181)	(3,676,770)	(887,543)	(53,682,494)	-
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Proceeds from Interfund Transfers	1,300,000	-	113,067	1,413,067	-
Net Cash Provided by Noncapital Financing Activities	1,300,000	-	113,067	1,413,067	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Received on Investments	3,848,290	226,060	106,613	4,180,963	135,877
Arbitrage Interest Received on Investment	710,084	-	-	710,084	-
Net Cash Provided by Investing Activities	4,558,374	226,060	106,613	4,891,047	135,877
Net Increase (Decrease) in Cash and Cash Equivalents	(33,240,936)	(945,299)	382,376	(33,803,859)	200,602
Cash and Investments, January 1	116,642,552	7,958,354	3,129,099	127,730,005	3,751,713
Cash and Investments, December 31	\$ 83,401,616	\$ 7,013,055	\$ 3,511,475	\$ 93,926,146	\$ 3,952,315
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities					
Operating Income (Loss)	\$ 1,143,717	\$ 953,852	\$ (812,548)	\$ 1,285,021	\$ 344,546
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities					
Depreciation Expense	6,234,097	1,688,212	1,891,026	9,813,335	-
Changes in Assets and Liabilities					
Accounts Receivable	(442,088)	(434,137)	(36,650)	(912,875)	127,085
Inventory	29,471	-	-	29,471	51,702
Prepays	22,823	-	-	22,823	-
Accounts Payable	687,485	1,040,498	395,437	2,123,420	(447,252)
Retainage Payable	2,570,564	-	43,998	2,614,562	-
Accrued Wages Payable	39,127	(55,987)	9,212	(7,648)	(262)
Due to Other Funds	-	-	(113,067)	(113,067)	-
Estimated Unpaid Claims	-	-	-	-	(11,094)
Compensated Absences	(82,794)	(30,222)	(27,084)	(140,100)	-
Deposits and Escrows	(183,531)	(656,805)	(300,085)	(1,140,421)	-
Total Adjustments	8,875,154	1,551,559	1,862,787	12,289,500	(279,821)
Net Cash Provided (Used) by Operating Activities	\$ 10,018,871	\$ 2,505,411	\$ 1,050,239	\$ 13,574,521	\$ 64,725

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

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FINANCIAL SECTION

NOTES TO THE BASIC FINANCIAL STATEMENTS



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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”) Brighton Economic Development (“BEDC”), and Brighton Legacy Foundation (“BLF”). These component units do not issue their own financial statements.

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

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

Discretely Presented Component Units

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

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

between the City and the BCAC. Effective February 2024, the City no longer serves as the fiscal agent of BCAC.

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

Brighton Legacy Foundation – BLF, a 501(c)3, was founded for the purpose of supporting non-profit organizations that serve the Brighton community. The organization's board includes two City Council members and the Finance Director, and the majority of the organization's funding is from City contributions.

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 four discretely

FINANCIAL SECTION

presented component units. Eliminations have been made in the government-wide financial statements to remove the “doubling-up” effect of internal service fund activity.

C. Basis of Presentation – Fund Financial Statements

The accounts of the City are organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. The various funds are summarized by type within the 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 in part by a 0.75% sales tax approved by voters in 1991.

The City reports the following major proprietary funds:

- The Water Fund accounts for the financial activities associated with the provision of water services.
- The Wastewater (Sewer) Fund accounts for the financial activities associated with the provision of wastewater services.
- The Storm Drainage Fund accounts for the financial activities associated with the storm drainage services. While this fund does not qualify as a major fund based on materiality, it is presented as major for consistency and presentation purposes.

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

The City reports the following internal service funds:

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

Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported as gross amounts as transfers

NOTES TO THE BASIC FINANCIAL STATEMENTS

in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities' column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

D. Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

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

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

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

Cash and Investments

Cash includes cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Investments are reported at fair value (generally based on quoted market prices). Certain investments are

FINANCIAL SECTION

restricted for debt service. The City utilizes the same policy for purposes of cash flow presentations.

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

Receivables

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

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

Inventories

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

Prepaid Items

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

Capital Assets

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Buildings and Improvements	5-50 years
Infrastructure	5-50 years
Collection and Distributions systems	25-50 years
Machinery and Equipment	3-15 years
Other Assets	3-15 years

Unearned Revenues

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

Compensated Absences

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

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

Compensated absences are valued based on a combination of hours accumulated, pay rate, and estimated likelihood that the hours will be utilized or paid out in the future. The value of compensated absences is recognized when earned in the proprietary funds and 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,

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deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then.

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

Net Position Flow Assumption

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

Fund Balance Flow Assumption

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

Fund Balance Classifications

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

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

Emergency and General Fund Stabilization Reserve

On July 20, 2010 the City Council adopted Resolution No. 2010-88 which established Emergency and General Fund Stabilization Reserves which are reported under the committed fund balance classification.

The Emergency Reserve is equal to two months (17%) of General Fund revenues and three months (25%) of Capital improvement Fund revenues. The Emergency Reserve shall be used to off-set costs incurred by the City for unforeseen emergency circumstances which threaten the health, safety or welfare of the City, such as weather-related occurrences, floods, terror attacks, destruction or incapacitation of City services or facilities, etc. All withdrawals/expenditures from the Emergency Reserve shall be pre-approved by an affirmative vote of seven (7) members of the City Council. The City Manager may authorize an immediate withdrawal/expenditure if an emergency exists which threatens the health, safety or welfare of the City and pre-approval of the Council is not feasible.

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

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

F. Revenues & Expenditures/Expenses

Program Revenues

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

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Property Taxes

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

Tax Year (2023 Certifications for 2024 Collections)

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

Tax Year (2024 Certifications for 2025 Collections)

Tax levy certified to County CommissionersDecember 15, 2024
County Commissioners certify levy to County AssessorDecember 22, 2025

Ensuing Collection Year

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

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

Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

Use of Estimates

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

G. Prior Period Adjustments

Prior period adjustments were recorded to the opening balances of the 2024 financial statements. Those adjustments are summarized below.

Governmental Activities

The City collects Impact Fees on new development. In some cases, those fees are committed for rebates to third parties, should certain events take place based on written agreements. A portion of these fees were previously recorded as liabilities in the Impact Fees Fund. Upon further review, it was determined that these fees do not constitute a liability at the time of collection because the activity that would require rebate has not occurred. Therefore, these fees should have been recorded as revenue which would increase the fund balance of the fund and net position in Governmental Activities. As the amount of the adjustment is material to the financial statements, a prior period adjustment has been recorded as outlined below:

	<u>12/31/2023 As previously reported</u>	<u>Error Correction</u>	<u>12/31/2023 As restated</u>
Adjustment to Impact Fee Fund			
Impact Fees Fund			
Assets	\$ 11,912,487	\$ -	\$ 11,912,487
Liabilities			
Accounts Payable	\$ 46,081	\$ -	\$ 46,081
Deposits & Escrows	1,446,844	(1,446,844)	-
Total Liabilities	1,492,925	(1,446,844)	46,081
Fund Balance			
Beginning Fund Balance	10,992,542	-	10,992,542
Revenues	2,506,615	1,446,844	3,953,459
Expenditures	(3,079,595)	-	(3,079,595)
Ending Fund Balance	10,419,562	1,446,844	11,866,406
Total Liabilities and Fund Balance	\$ 11,912,487	\$ -	\$ 11,912,487
Adjustment to Governmental Activities Net Position			
Governmental Activities Net Position	\$ 299,890,725	\$ 1,446,844	\$ 301,337,569

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Business-Type Activities

The City often receives dedication of water rights from developers to meet their obligations to provide water for new development. Many of the City's water rights were received over several years and were not reported in the financial statements. In 2024, the City did a review of all water rights and updated the capital asset records to reflect the accurate total of water rights owned by the City. These dedications should have been recorded as assets and capital contributions at the time they were received, dating back several years. Because they were not recorded, the capital asset and net position balances in the Water Fund were understated. As the amount of the adjustment is material to the financial statements, a prior period adjustment has been recorded as outlined below:

	12/31/2023 As previously reported	Error Correction	12/31/2023 As restated
Adjustment to Water Fund			
Assets			
Current Assets	\$ 118,525,374	\$ -	\$ 118,525,374
Capital Assets, net	160,693,862	38,592,752	199,286,614
Total Assets	279,219,236	38,592,752	317,811,988
Liabilities	\$ 106,583,285	\$ -	\$ 106,583,285
Net Position			
Beginning Net Position	152,181,341	-	152,181,341
Revenues	15,708,586	-	15,708,586
Expenses	(21,751,555)	-	(21,751,555)
Non Operating Revenues & Expenses	11,577,614	-	11,577,614
Capital Contributions	14,919,965	38,592,752	53,512,717
Ending Net Position	172,635,951	38,592,752	211,228,703
Total Liabilities and Net Position	\$ 279,219,236	\$ 38,592,752	\$ 317,811,988

Component Units

Brighton Urban Renewal Authority

The Brighton Urban Renewal Authority (BURA) has several agreements in place to incentivize business growth, often rebating tax increment funds to other organizations. In one of those agreements, funds are kept in investment accounts managed by the City until the other party has met requirements to receive those funds. These bank account balances were previously recorded as liabilities, and contributions to those accounts each year were recorded as expense. Upon further review, it was determined that the transfer of funds to those accounts did not constitute an expense. The transfer of funds to a restricted cash account did not create a liability as the third party had not completed their requirements to receive the funds. The correct accounting treatment for these transactions is a reclassification to restricted cash with expense being recorded only when funds are distributed and no longer held by the City. The result caused liabilities to be overstated and understated fund balance and net position.

Brighton Legacy Foundation

This City is reporting this entity as a component unit for the first time in 2024. The beginning net position for component units has been adjusted to reflect this entity.

NOTES TO THE BASIC FINANCIAL STATEMENTS

As the adjustments are material to the financial statements, prior period adjustments have been recorded as outlined below:

	12/31/2023 As previously reported	Error Correction	12/31/2023 As restated
Adjustment to Brighton Urban Renewal Authority			
BURA Fund			
Assets	\$ 16,474,811	\$ -	\$ 16,474,811
Liabilities			
Accounts Payable	\$ 1,188,921	\$ -	\$ 1,188,921
Other Liabilities	452,525	(444,741)	7,784
Total Liabilities	1,641,446	(444,741)	1,196,705
Deferred Inflows of Resources	6,838,133	-	6,838,133
Fund Balance			
Beginning Fund Balance	5,306,486	-	5,306,486
Revenues	6,921,156	444,741	7,365,897
Expenditures	(4,232,410)	-	(4,232,410)
Ending Fund Balance	7,995,232	444,741	8,439,973
Total Liabilities, Deferred Inflows, and Fund Balance	\$ 16,474,811	\$ -	\$ 16,474,811
Component Unit Net Position			
Brighton Urban Renewal Authority	\$ 6,818,565	\$ 444,741	\$ 7,263,306
Brighton Cultural Arts Commission	57,064	-	57,064
Brighton Economic Development Corporation	248,573	-	248,573
Brighton Legacy Foundation	-	7,145	7,145
Total Component Unit Net Position	\$ 7,124,202	\$ 451,886	\$ 7,576,088

Note 2 – Stewardship, Compliance and Accountability

A. Budgetary Information

Budget and Appropriation Process

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

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

FINANCIAL SECTION

transfer of budget and appropriated monies within a fund or between funds may be done only in accordance with the Charter.

Budgetary Accounting and Control

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

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

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

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

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conditions, revenue shortfalls, or salary or benefit increases. In 2024, the required reserve of 3% of current year spending, excluding voter approved amounts, federal revenues, bond proceeds, and other restrictions under TABOR, totaled \$3,241,496.

C. Implementation of New Accounting Standard

The City implemented Governmental Accounting Standards Board (GASB) Statement No. 101: *Compensated Absences*. GASB Statement No. 101 defines compensated absences, provides new guidance on the calculation of the compensated absences liability, and updates the disclosure requirements. These changes were incorporated in the City's financial statements dated December 31, 2024. The implementation of GASB Statement No. 101 had no effect on net position as reported December 31, 2024.

D. Deficit Net Position

As of December 31, 2024, the City's Wastewater Fund had a deficit unrestricted net position balance of \$23,285,802 and a deficit net position balance of \$3,085,007. This deficit is a result of an operating loan and related amendment to the City's agreement with Metro Water Recovery to pay off the remaining balance of a buy-in agreement in 2023 totaling \$46,597,325. The loan details are discussed in Note 6 – Long Term Obligations on page 69.

Note 3 – Deposits and Investments

The following is a summary of the primary government's cash and investments as of December 31, 2024, are summarized below:

	Governmental Activities	Business-Type Activities	Total
Cash on Hand	\$ 6,116	\$ 1,800	\$ 7,916
Deposits and Investments	132,824,096	93,924,346	226,748,442
Total	<u>\$ 132,830,212</u>	<u>\$ 93,926,146</u>	<u>\$ 226,756,358</u>

A. Cash Deposits

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

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories, with eligibility determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral, as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. All deposits in 2024 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

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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
- Time Certificates of Deposit
- Commercial Paper
- Repurchase Agreements

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.

The City and the Brighton Urban Renewal (one of the City's component units), had the following investments at December 31, 2024:

Investment Type	Measurement	S&P Rating	Total	< 1 Year	2-3 Years	4-5 Years
U.S. Government Treasuries	Fair Value - Level 1	AA+	\$ 94,606,891	\$ 17,407,295	\$ 37,229,539	\$ 39,970,057
U.S. Government Agencies	Fair Value - Level 2	AA+	14,138,589	14,138,589	-	-
Corporate	Fair Value - Level 2	AA-	1,217,738	-	1,217,738	-
Municipal Bond	Fair Value - Level 2	AA to AAA	4,289,381	2,059,592	2,229,789	-
Local Government Investment Pools	Net Asset Value	AAAm	41,602,733	41,602,733	-	-
Total			<u>\$ 155,855,332</u>	<u>\$ 75,208,209</u>	<u>\$ 40,677,066</u>	<u>\$ 39,970,057</u>
% of Total				48%	25%	26%

Fair Value Measurement

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

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

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

Interest Rate Risk

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

Credit Risk

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

Custodial Credit Risk

For an investment, this is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the position of an outside party. At December 31, 2024, 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. Treasuries, U.S. Agency Securities, and Local Government Investment Pools, and Money Market Funds, the City's investment policy limits the amount that may be invested in any one security type or fund to 50% of the total portfolio. The aggregate exposure to municipal bonds and commercial paper may not exceed 35% of the portfolio, no more than 5% may be invested in time deposits, and no more than 5% of the portfolio may be invested with a single issuer. The portfolio will be limited to an

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aggregate exposure of 50% for the following investment types: Corporate Bonds, Commercial Paper, Negotiable Certificates of Deposits and Bankers Acceptances.

Local Government Investment Pools

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

C. Component Units

The following is a summary of the component units' cash and investments as of December 31, 2024, are summarized below:

	Brighton Urban Renewal Authority	Brighton Economic Development Corporation	Brighton Legacy Foundation	Total
Cash on Hand	\$ 200	\$ -	\$ -	\$ 200
Restricted Cash and Investments	1,801,807	-	-	1,801,807
Deposits and Investments	9,389,262	273,905	18,590	9,681,757
Total	<u>\$ 11,191,269</u>	<u>\$ 273,905</u>	<u>\$ 18,590</u>	<u>\$ 11,483,764</u>

Cash and investments for the Brighton Urban Renewal Authority are managed within the City's pooled cash. These have the same investment diversification and risks as the City. See section B above for detail.

NOTES TO THE BASIC FINANCIAL STATEMENTS

Note 4 – Capital Assets

A. Governmental Activities

Capital asset activity for the year ended December 31, 2024, is summarized below.

Governmental Activities	Balance 1/1/2024	Additions	Deletions	Transfers	Balance 12/31/2024
Capital Assets, Not Being Depreciated					
Land	\$ 35,854,960	\$ 2,946,893	\$ (191,660)	\$ -	\$ 38,610,193
Water rights	2,036,050	-	(150)	-	2,035,900
Construction in Progress	16,767,278	36,361,517	(25,325)	(5,742,231)	47,361,239
Total Capital Assets, Not Being Depreciated	54,658,288	39,308,410	(217,135)	(5,742,231)	88,007,332
Capital Assets, Being Depreciated					
Building and Improvements	105,575,923	1,668,107	(156,423)	4,199,697	111,287,304
Infrastructure	126,604,128	7,265,160	-	938,898	134,808,186
Improvements Other Than Buildings	30,423,525	5,628,488	-	-	36,052,013
Machinery and Equipment	27,227,187	2,399,757	(518,642)	603,636	29,711,938
Other Assets	978,336	-	-	-	978,336
Total Capital Assets, Being Depreciated	290,809,099	16,961,512	(675,065)	5,742,231	312,837,777
Less Accumulated Depreciation					
Building and Improvements	75,105,846	4,161,072	(156,423)	-	79,110,495
Infrastructure	54,846,671	6,364,909	-	-	61,211,580
Improvements Other Than Buildings	12,078,254	2,540,469	-	-	14,618,723
Machinery and Equipment	16,860,822	3,148,015	(498,327)	-	19,510,510
Other Assets	529,080	27,949	-	-	557,029
Total Accumulated Depreciation	159,420,673	16,242,414	(654,750)	-	175,008,337
Total Capital Assets, Being Depreciated, Net	131,388,426	719,098	(20,315)	5,742,231	137,829,440
Governmental Activities Capital Assets, Net	\$ 186,046,714	\$ 40,027,508	\$ (237,450)	\$ -	\$ 225,836,772
					Less Capital Retainage Payable (2,547,881)
					Less Outstanding Capital Debt (19,957,993)
					Less Unamortized Bond Premium (2,219,064)
					Net Investment in Capital Assets \$ 201,111,834

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

Description	Governmental Activities
General Government	\$ 1,965,296
Public Safety	979,272
Streets and Fleet	9,082,193
Parks and Recreation	4,156,245
Cemetery	56,079
Community Development	3,329
Total Depreciation Expense	\$ 16,242,414

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B. Business-Type Activities

Capital asset activity for the year ended December 31, 2024, is summarized below.

Business - Type Activities	Restated Balance ⁽¹⁾ 1/1/2024	Additions	Deletions	Transfers	Balance 12/31/2024
Capital Assets, Not Being Depreciated					
Land	\$ 11,013,128	\$ -	\$ (112,566)	\$ -	\$ 10,900,562
Water Rights	64,866,522	6,734,317	-	-	71,600,839
Construction in Progress	37,577,418	64,657,918	(10,477)	(493,902)	101,730,956
Total Capital Assets, Not Being Depreciated	113,457,068	71,392,235	(123,043)	(493,902)	184,232,357
Capital Assets, Being Depreciated					
Building and Improvements	39,786,361	106,269	-	-	39,892,630
Infrastructure	230,137,294	18,016,688	-	75,329	248,229,311
Machinery and Equipment	8,373,501	17,262	(63,906)	418,573	8,745,430
Other Assets	216,300	-	-	-	216,300
Total Capital Assets, Being Depreciated	278,513,456	18,140,219	(63,906)	493,902	297,083,671
Less Accumulated Depreciation					
Building and Improvements	29,984,286	951,413	-	-	30,935,699
Infrastructure	100,798,706	8,216,745	-	-	109,015,451
Machinery and Equipment	6,389,869	645,178	(63,906)	-	6,971,141
Other Assets	216,300	-	-	-	216,300
Total Accumulated Depreciation	137,389,161	9,813,336	(63,906)	-	147,138,591
Total Capital Assets, Being Depreciated, Net	141,124,295	8,326,883	-	493,902	149,945,080
Business-Type Activities Capital Assets, Net	\$ 254,581,363	\$ 79,719,118	\$ (123,043)	\$ -	\$ 334,177,437
					Less Capital Retainage Payable (3,435,665)
					Less Outstanding Capital Debt (95,922,198)
					Less Unamortized Bond Premium (4,209,066)
					Plus Unspent Bond Proceeds 28,380,686
					Net Investment in Capital Assets \$ 258,991,194

(1) - The opening balance has been restated. Refer to Note 1 for additional information.

Depreciation expense was charged to Funds as follows:

Description	Business-type Activities
Water	\$ 6,234,098
Wastewater	1,688,212
Storm Drainage	1,891,026
Total Depreciation Expense	<u>\$ 9,813,336</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

C. Component Unit – Brighton Urban Renewal Authority

Capital asset activity for the Brighton Urban Renewal Authority the year ended December 31, 2024, was as follows:

Brighton Urban Renewal Authority (BURA)	Balance 1/1/2024	Additions	Deletions	Transfers	Balance 12/31/2024
Capital Assets, Not Being Depreciated					
Construction in Progress	\$ -	\$ 42,340	\$ -	\$ -	\$ 42,340
Total Capital Assets, Not Being Depreciated	-	42,340	-	-	42,340
Capital Assets, Being Depreciated					
Building and Improvements	\$ 5,680,712	\$ 15,500	\$ -	\$ -	\$ 5,696,212
Machinery and Equipment	91,315	19,151	-	-	110,466
Total Capital Assets, Being Depreciated	5,772,027	34,651	-	-	5,806,678
Less Accumulated Depreciation					
Building and Improvements	2,952,515	226,918	-	-	3,179,433
Machinery and Equipment	79,186	5,170	-	-	84,356
Total Accumulated Depreciation	3,031,701	232,088	-	-	3,263,789
Total Capital Assets, Being Depreciated, Net	2,740,326	(197,437)	-	-	2,542,889
BURA Activities Capital Assets, Net	\$ 2,740,326	\$ (155,097)	\$ -	\$ -	\$ 2,585,229

D. Component Unit – Brighton Economic Development Corporation

Capital asset activity for the Brighton Economic Development Corporation the year ended December 31, 2024, was as follows:

Brighton Economic Development Corporation (BEDC)	Balance 1/1/2024	Additions	Deletions	Transfers	Balance 12/31/2024
Capital Assets, Being Depreciated					
Machinery and Equipment	\$ 78,713	\$ -	\$ -	\$ -	\$ 78,713
Total Capital Assets, Being Depreciated	78,713	-	-	-	78,713
Less Accumulated Depreciation					
Machinery and Equipment	78,713	-	-	-	78,713
Total Accumulated Depreciation	78,713	-	-	-	78,713
BEDC Capital Assets, Net	\$ -	\$ -	\$ -	\$ -	\$ -

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Note 5 – Interfund Activity

A. Interfund Transfers

The composition of interfund transfers as of December 31, 2024 is as follows:

Transfer in Fund	Transfer out Fund	Amount
General	Lottery	\$ 250,000
General	Landscaping	6,000
Cemetery	General Fund	200,000
Cemetery	Cemetery Perpetual Fund	204,215
Capital Improvement	General Fund	2,700,000
Capital Improvement	Impact Fees	3,758,058
Parks Capital	General Fund	16,500,000
Cemetery Perpetual Fund	Cemetery	175,173
Water Fund	General Fund	1,300,000
Storm Drainage Fund	General Fund	113,067
	Total	<u>\$ 25,206,513</u>

Transfers are used to allocate resources to different funds to support various projects and operations. All transfers are planned for and budgeted in accordance with funding restrictions where applicable.

Transfers in 2024 were made for the following purposes:

- Transfer of \$250,000 from the Lottery Fund to the General Fund was made to partially fund parks maintenance work that is budgeted and paid from the General Fund and is an eligible use of these proceeds.
- Transfer of \$6,000 from the Landscaping Fund to the General Fund was made to partially fund median maintenance work that is budgeted and paid from the General Fund and is an eligible use of these proceeds.
- Transfer of \$200,000 from the General Fund to the Cemetery Fund was made to subsidize the cost of maintenance of the City's cemeteries.
- Transfer of \$204,215 from the Cemetery Perpetual Fund to the Cemetery Fund was made to move interest earned on permanent balances to the Cemetery Fund for use on maintenance operations.
- Transfers of \$2,700,000 from the General Fund and \$3,758,058 from the Impact Fees Fund to the Capital Improvement Fund was made to fund a portion of the Bridge Street Widening Project.
- Transfer of \$16,500,000 from the General Fund to the Parks Capital Improvement Fund was made to finance the expansion of the City's Recreation Center and to begin design of a new outdoor recreation complex.
- Transfer of \$175,173 from the Cemetery Fund to the Cemetery Perpetual Fund was made to repay the fund for a capital improvement.
- Transfer of \$1,300,000 from the General Fund to the Water Fund was made to support the construction of a new Water Treatment Plant that will come online in 2027.
- Transfer of \$113,067 from the General Fund to the Storm Drainage Fund was made to forgive the annual payment due on an interfund loan originally made in 2021 to support the construction of a stormwater outfall. The loan is discussed further below.

NOTES TO THE BASIC FINANCIAL STATEMENTS

B. Interfund Balances

The composition of interfund receivables/payables as of December 31, 2024 is as follows:

Interfund Receivable	Interfund Payable	Amount
General	Storm Drainage	\$ 1,582,933
		<u>\$ 1,582,933</u>

In 2021, the General Fund made a loan to the Storm Drainage Fund in the amount of \$1,696,000 to support a significant capital construction project. The interfund loan bears no interest and is to be repaid over 15 years from 2024 through 2038. The payment due in 2024 totaling \$113,067 was forgiven and reported as a transfer to the Storm Drainage Fund as discussed in section A above. The future payments due are outlined in the following table.

Year Ended December 31,	Payment
2025	\$ 113,067
2026	113,067
2027	113,067
2028	113,067
2029	113,067
2030-2034	565,335
2035-2038	452,263
Total	<u>\$ 1,582,933</u>

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Note 6 – Long Term Obligations

A. Governmental Activities

Long-Term Borrowing Related Obligations

Long-term borrowing related obligations related to governmental activities for the year ended December 31, 2024 are summarized as follows:

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024	Due Within One Year
<u>Governmental Activities</u>					
Publicly Sold					
Certificates of Participation					
2020 Tax Exempt	\$ 16,640,000	\$ -	\$ 970,000	\$ 15,670,000	\$ 1,025,000
Borrowing Premium	2,392,034	-	208,003	2,184,031	208,003
Total Publicly Sold Borrowings	19,032,034	-	1,178,003	17,854,031	1,233,003
Direct Placement Borrowings					
Certificates of Participation					
2016 Tax Exempt Series 2016A	2,535,199	-	149,534	2,385,665	153,192
2016 Taxable Series 2016B	857,309	-	276,358	580,951	285,665
Borrowing Premium	47,942	-	12,909	35,033	12,909
Total Direct Placement Borrowings	3,440,450	-	438,801	3,001,649	451,766
Financed Purchases					
2017 Capital Lease	244,257	-	244,257	-	-
2023 Technology Lease	1,321,377	-	-	1,321,377	660,689
Total Financed Purchases	1,565,634	-	244,257	1,321,377	660,689
Total Governmental Activities	\$ 24,038,118	\$ -	\$ 1,861,061	\$ 22,177,057	\$ 2,345,458

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 (15 years). Interest is due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 3.00% to 4.00% 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.

NOTES TO THE BASIC FINANCIAL STATEMENTS

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

2020 Certificates of Participation

Year Ending December 31,	Principal	Interest	Total
2025	\$ 1,025,000	\$ 573,150	\$ 1,598,150
2026	1,090,000	532,150	1,622,150
2027	1,160,000	488,550	1,648,550
2028	1,240,000	442,150	1,682,150
2029	1,315,000	392,550	1,707,550
2030-2034	7,955,000	1,119,300	9,074,300
2035	1,885,000	56,550	1,941,550
Total	<u>\$ 15,670,000</u>	<u>\$ 3,604,400</u>	<u>\$ 19,274,400</u>

2016 Certificates of Participation

In March 2016, the City issued Certificates of Participation, Tax Exempt Series 2016A in the amount of \$4,480,620 and Taxable Series 2016B in the amount of \$2,519,380 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. Of the total principal due, \$5,969,904 is related to Governmental Activities and funded from those revenues. The remaining \$1,030,096 is related to Enterprise Activities and is funded from Water and Wastewater Fund revenues as discussed later in this footnote.

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

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

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

2016 Certificates of Participation – Tax Exempt Series A

Year Ended December 31,	Principal	Interest	Total
2025	153,192	57,046	210,238
2026	156,935	53,301	210,236
2027	395,301	48,048	443,349
2028	404,965	38,384	443,349
2029	414,866	28,484	443,350
2030-2031	860,406	26,293	886,699
Total	\$ 2,385,665	\$ 251,556	\$ 2,637,221

2016 Certificates of Participation – Taxable Series B

Year Ended December 31,	Principal	Interest	Total
2025	285,665	17,038	302,703
2026	295,286	7,417	302,703
Total	\$ 580,951	\$ 24,456	\$ 605,407

2017 Equipment Financed Purchase

The 2017 Equipment Lease Purchase Agreement is a tax-exempt lease-purchase program used by the City to finance capital equipment. The City entered into the agreement as of December 8, 2017. The interest rate for the lease is 2.09%. Principal and interest payments are due semi-annually through 2024 (7 years).

This obligation was paid in full in 2024 and no future payments are required.

2023 Equipment Financed Purchase

The 2023 Equipment Financed Purchase Agreement is a tax-exempt financed-purchase program used by the City to finance capital equipment. The City entered into the agreement as of December 31, 2023. The interest rate for the lease is 0.0%. Principal and interest payments are due annually through 2026 (3 years).

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

2023 Equipment Financed Purchase

Year Ended December 31,	Principal	Interest	Total
2025	\$ 660,689	\$ -	\$ 660,689
2026	660,688	-	660,688
Total	\$ 1,321,377	\$ -	\$ 1,321,377

NOTES TO THE BASIC FINANCIAL STATEMENTS

Compensated Absence Liability

The City offers employees paid time off which accrues throughout the year. Balances that remain and are eligible for carryover are valued based on the employee's current pay rate and a liability is recorded. The compensated absence liability related to governmental activities for the year ended December 31, 2024 is summarized as follows:

	Balance 12/31/2023	Net Change	Balance 12/31/2024	Due Within One Year
Compensated Absences	2,317,358	437,579	2,754,937	2,405,272

B. Business-Type Activities

Long Term Borrowing Related Obligations

Long-term borrowing related obligations related to business-type activities for the year ended December 31, 2024 are summarized as follows:

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024	Due Within One Year
<u>Water Fund</u>					
Publicly Sold					
Water Activity Enterprise Bonds					
2022 Revenue Bonds	\$ 77,685,000	\$ -	\$ 345,000	\$ 77,340,000	\$ 410,000
2016 Revenue Bonds Series A	14,400,000	-	1,005,000	13,395,000	975,000
Bond Premium	4,264,052	-	174,394	4,089,658	174,394
Arbitrage Liability	468,859	710,084	-	1,178,943	-
Total Publicly Sold Borrowings	96,817,911	710,084	1,524,394	96,003,601	1,559,394
Direct Placement Borrowings					
2016 Certificates of Participation					
Tax Exempt Series 2016A	628,120	-	37,049	591,071	37,955
Total Direct Placement Borrowings	628,120	-	37,049	591,071	37,955
Total Water Fund	\$ 97,446,031	\$ 710,084	\$ 1,561,443	\$ 96,594,672	\$ 1,597,349
<u>Wastewater Fund</u>					
Publicly Sold					
Water Activity Enterprise Bonds					
2016 Revenue Bonds Series B	\$ 4,730,000	\$ -	\$ 255,000	\$ 4,475,000	\$ 270,000
Bond Premium	128,774	-	9,366	119,408	9,366
Total Publicly Sold Borrowings	4,858,774	-	264,366	4,594,408	279,366
Direct Placement Borrowings					
Certificates of Participation					
2016 Tax Exempt Series 2016A	128,719	-	7,592	121,127	7,778
2023 Revenue Loan (Direct Placement)	31,599,000	-	1,455,000	30,144,000	1,529,000
Total Direct Placement Borrowings	31,727,719	-	1,462,592	30,265,127	1,536,778
Total Wastewater Fund	\$ 36,586,493	\$ -	\$ 1,726,958	\$ 34,859,535	\$ 1,816,144
Total Business-Type Activities	\$ 134,032,524	\$ 710,084	\$ 3,288,401	\$ 131,454,207	\$ 3,413,493

The City's Water Activity Enterprise includes both the Water and Wastewater Funds. When revenue bonds are issued within these funds, the revenues of both funds are

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considered obligated to the borrowings. However, debt service is budgeted and managed from the fund that benefited from the borrowing.

2022 Water Activity Enterprise Revenue Bonds

In November, 2022, the City issued \$77,685,000 Water Activity Enterprise Revenue Bonds to fund a capital investment in a new Water Treatment Plant scheduled to be operational in 2025. Principal and interest payments are due annually beginning on December 1, 2023 and continuing through 2052 (30 years). Interest accrues on the bonds at a rate of 5.0% per annum. Debt service for these bonds is paid from Water Fund revenues.

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

2022 Water Activity Enterprise Revenue Bonds

Year Ending December 31,	Principal	Interest	Total
2025	\$ 410,000	\$ 3,856,750	\$ 4,266,750
2026	475,000	3,834,325	4,309,325
2027	540,000	3,809,250	4,349,250
2028	605,000	3,780,625	4,385,625
2029	685,000	3,748,375	4,433,375
2030-2034	4,575,000	19,029,325	21,744,325
2035-2039	10,010,000	14,596,500	18,086,500
2040-2044	18,625,000	13,683,000	31,403,000
2045-2049	23,915,000	8,650,625	31,395,625
2050-2052	17,500,000	2,348,375	25,123,375
Total	<u>\$ 77,340,000</u>	<u>\$ 77,337,150</u>	<u>\$ 149,497,150</u>

2016 Water Activity Enterprise Revenue Bonds, Series A & B

In September 2016, the City issued Water Activity Enterprise Revenue Refunding Bonds to refund the outstanding 2009 Water Activity Enterprise Revenue Bonds. Series 2016A totaled \$20,945,000 and refunded the outstanding 2009 Bonds for the Water System Project. Series 2016B totaled \$6,325,000 and refunded the outstanding 2009 Bonds for the Sewer System Project. As a result, the 2009 revenue bonds are defeased and the liability for those bonds has been removed from the statement of net position.

Principal payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016A, are due annually beginning June 1, 2017, and continuing through 2037 (20 years). Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 2.00% to 5.00% per annum. Debt service for this bond series is paid from Water Fund revenues.

Principal payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016B, are due annually beginning June 1, 2017, through 2037 (20 years). Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the

NOTES TO THE BASIC FINANCIAL STATEMENTS

bonds at a rate of 4.0% per annum. Debt service for this bond series is paid from Wastewater Fund revenues.

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

2016 Water Activity Enterprise Revenue Bonds – Series A

Year Ended December 31,	Principal	Interest	Total
2025	\$ 975,000	\$ 597,550	\$ 1,572,550
2026	965,000	563,675	1,528,675
2027	975,000	515,175	1,490,175
2028	985,000	466,175	1,451,175
2029	995,000	416,675	1,411,675
2030-2034	5,180,000	1,319,500	6,499,500
2035-2037	3,320,000	200,600	3,520,600
Total	<u>\$ 13,395,000</u>	<u>\$ 4,079,350</u>	<u>\$ 17,474,350</u>

2016 Water Activity Enterprise Revenue Bonds – Series B

Year Ended December 31,	Principal	Interest	Total
2025	\$ 270,000	\$ 173,600	\$ 443,600
2026	280,000	162,600	442,600
2027	290,000	151,200	441,200
2028	305,000	139,300	444,300
2029	310,000	127,000	437,000
2030-2034	1,775,000	431,300	2,206,300
2035-2037	1,245,000	76,300	1,321,300
Total	<u>\$ 4,475,000</u>	<u>\$ 1,261,300</u>	<u>\$ 5,736,300</u>

2016 Certificates of Participation

In March 2016, the City issued Certificates of Participation, Tax Exempt Series 2016A in the amount of \$4,480,620 and Taxable Series 2016B in the amount of \$2,519,380 to fund capital energy conservation improvement projects to the City's Recreation Center, City Hall, Historic City Hall, Police and Municipal Court, Utility Water Shop, Water Wells, Wastewater Treatment Facility and other City facilities as well as capital upgrades to various systems at the Brighton Armory, Water Treatment Plant and the City's Recreation Center. Further details related to this obligation are discussed in the Governmental Activities section.

Of the original principal amount, a total of \$854,905 is related to Water Fund projects and is funded from the revenues of that fund. A total of \$171,191 is related to Wastewater fund projects and is funded from the revenues of that fund.

FINANCIAL SECTION

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

2016 Certificates of Participation – Water Fund

Year Ended December 31,	Principal	Interest	Total
2025	37,955	14,134	52,089
2026	38,882	13,206	52,088
2027	97,940	11,905	109,845
2028	100,334	9,510	109,844
2029	102,787	7,057	109,844
2030-2031	213,173	6,514	219,687
Total	\$ 591,071	\$ 62,327	\$ 653,398

2016 Certificates of Participation – Wastewater Fund

Year Ended December 31,	Principal	Interest	Total
2025	7,778	2,896	10,674
2026	7,968	2,706	10,674
2027	20,070	2,440	22,510
2028	20,561	1,949	22,510
2029	21,064	1,446	22,510
2030-2031	43,686	1,335	45,021
Total	\$ 121,127	\$ 12,772	\$ 133,899

2023 Wastewater Revenue Loan (Direct Placement)

In June 2023, the City borrowed \$31,599,000 through a taxable, direct placement financing to refinance buy-in agreement with Metro Water Recovery and convert all eligible flows to Metro Water Recovery for processing. Principal payments are due annually beginning on December 1, 2023 and continuing through 2038 (15 years). Interest payments are due on June 1 and December 1 of each year. Interest accrues on the loan at a rate of 4.96% per annum. Debt service for this loan is paid from Wastewater Fund revenues.

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

Year Ended December 31,	Principal	Interest	Total
2025	\$ 1,529,000	\$ 1,457,223	\$ 2,986,223
2026	1,607,000	1,379,450	2,986,450
2027	1,688,000	1,297,734	2,985,734
2028	1,774,000	1,211,877	2,985,877
2029	1,864,000	1,121,654	2,985,654
2030-2034	10,845,000	4,085,676	14,930,676
2035-2038	10,837,000	1,108,337	11,945,337
Total	\$ 30,144,000	\$ 11,661,952	\$ 41,805,952

NOTES TO THE BASIC FINANCIAL STATEMENTS

Compensated Absence Liability

The City offers employees paid time off which accrues throughout the year. Balances that remain and are eligible for carryover are valued based on the employee's current pay rate and a liability is recorded. The compensated absence liability related to business-type activities for the year ended December 31, 2024 is summarized as follows:

	Balance 12/31/2023	Net Change	Balance 12/31/2024	Due Within One Year
Compensated Absences				
Water Fund	\$ 330,920	\$ (82,794)	\$ 248,126	\$ 216,633
Wastewater Fund	150,623	(30,222)	120,401	105,119
Storm Drainage Fund	51,100	(27,083)	24,017	20,968
	<u>\$ 532,643</u>	<u>\$ (140,099)</u>	<u>\$ 392,544</u>	<u>\$ 342,720</u>
Total Compensated Absences				

C. Component Unit

Long Term Borrowing Related Obligations

Long-term borrowing related obligations related to component units for the year ended December 31, 2024 are summarized as follows:

	Balance 12/31/2023	Increases	Decreases	Balance 12/31/2024	Due Within One Year
<i>Brighton Urban Renewal Authority</i>					
Direct Placement Borrowings					
2015A Tax Increment Revenue Bonds	\$ 3,985,000	\$ -	\$ 945,000	\$ 3,040,000	\$ 980,000

2015 Revenue Bonds

In December 2015, BURA issued \$9,890,000 Tax Increment Revenue Refunding Bonds, Series 2015A and \$555,000 Taxable Tax Increment Revenue Bonds, Series 2015B, which were issued to refund the BURA outstanding Tax Increment Revenue Refunding and Improvement Bonds, Series 2009 and provide funding for an improvement project in the BURA area respectively. The 2015B Series was paid in full in 2016 (1 year).

The 2015A Series has an interest rate of 3.50%. Principal payments are due annually on December 1, through 2027 (12 years). Interest payments are due semi-annually on June 1 and December 1. The bonds are payable solely from sales tax increment revenues collected from the Brighton Pavilions and incremental property taxes generated by the urban renewal area.

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

Year Ended December 31,	Principal	Interest	Total
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>\$ 3,040,000</u>	<u>\$ 215,250</u>	<u>\$ 3,255,250</u>

Compensated Absence Liability

Employees of BURA receive the same leave benefits as employees of the City as described in sections A & B of this note, and therefore a compensated absences liability is similarly recorded. The compensated absence liability related to BURA for the year ended December 31, 2024 is summarized as follows:

	Balance 12/31/2023	Net Change	Balance 12/31/2024	Due Within One Year
<u>Brighton Urban Renewal Authority</u>				
Compensated Absences	\$ 13,358	\$ 4,876	\$ 18,234	\$ 15,919

NOTES TO THE BASIC FINANCIAL STATEMENTS

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, 2024 include the following items:

	General Fund	Capital Improvement Fund	Parks Capital Improvement Fund	Other Governmental Funds	Total
<u>Nonspendable</u>					
Prepays	\$ 101,817	\$ 667,539	\$ -	\$ -	\$ 769,356
Total Nonspendable	101,817	667,539	-	-	769,356
<u>Restricted</u>					
Emergency Reseve - TABOR	1,611,639	1,118,992	461,233	49,632	3,241,496
Parks, Recreation & Open Space	-	-	9,309,573	-	9,309,573
Lodging Tax	-	-	-	995,934	995,934
Conservation Trust/Lottery	-	-	-	454,705	454,705
Highway Fund	-	-	-	361,666	361,666
Landscaping Fund	-	-	-	65,198	65,198
Denver Airport Agreement	496,000	-	-	-	496,000
Plastic Bag Fee Unspent Proceeds	291,930	-	-	-	291,930
PEG Channel Franchise Fees	-	191,430	-	-	191,430
Total Restricted	2,399,569	1,310,422	9,770,806	1,927,135	15,407,932
<u>Committed</u>					
City Council Ordinances or Resolutions					
Impact Fees Fund	-	-	-	12,397,372	12,397,372
Cemetery Fund	-	-	-	314,817	314,817
Cemetery Perpetual Care Fund	-	-	-	2,448,201	2,448,201
Food Sales Tax	134,000	-	-	-	134,000
Committed Emergency Reserve	9,999,953	3,950,681	-	-	13,950,634
Committed Stabilization Reserve	4,998,977	-	-	-	4,998,977
Total Committed	15,132,930	3,950,681	-	15,160,390	34,244,001
<u>Assigned</u>					
Capital	-	24,197,250	27,320,913	-	51,518,163
Parks, Recreation & Open Space	-	-	-	-	-
Total Assigned	-	24,197,250	27,320,913	-	51,518,163
<u>Unassigned</u>	23,071,133	-	-	-	23,071,133
Total Fund Balance	\$40,705,449	\$ 30,125,892	\$ 37,091,719	\$ 17,087,525	\$ 125,010,585

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 Fire & Policy Pension Association's (FPPA) Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan. In 2024, this plan was combined with FPPA's Statewide Hybrid Plan: Defined Benefit Component to form the Statewide Retirement Plan: Defined Benefit and Hybrid Defined Benefit Components (SRP, the Plan). This plan merger did not change the terms, underlying conditions or benefits available to participants. 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 SRP is irrevocable.

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

Description of Benefits

A plan member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under the Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Plan. Benefit adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

Contributions

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

In 2014, the members elected to increase the member contribution rate to the Plan beginning in 2015. Member contribution rates increased 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions increased 0.5 percent annually beginning in 2021 through 2030 to a total of 13.0 percent of pensionable earnings. In 2022, members of the Plan and their employers contributed at a rate of 12.0 percent and 9.0 percent, respectively, of pensionable earnings for a total contribution rate of 21.0 percent. In 2024, members of the Plan and their employers contributed at a rate of 12.0 percent and 10 percent, respectively, of pensionable earnings for a total contribution rate of 22.00 percent. The City's contributions to the Plan as of the year ended December 31, 2024, were \$891,932, equal to the required contributions.

Basis of Presentation

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

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

At December 31, 2024, the City reported a net pension liability of \$0, representing its proportionate share of the net pension liability of the Plan. The net pension liability was measured at December 31, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2024. The City's proportion of the net pension liability was based on the City's share of contributions to the Plan relative to the contributions of all participating entities. At December 31, 2023, the City's proportion was 0.736 percent which was a decrease of 0.046 percent from its proportion measured at December 31, 2022.

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For the year ended December 31, 2024, the City recognized pension expense of \$217,348. At December 31, 2024, 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	\$ 1,401,322	\$ 67,329
Change in Assumptions	812,822	-
Net Difference Projected and Actual on Investment Earnings	1,006,021	-
Proportion Changes and Differences City Contributions and Proportionate Share Contributions	481,450	151,794
City Contributions Subsequent to Measurement Date	891,932	-
	<u>\$ 4,593,547</u>	<u>\$ 219,123</u>

A balance of \$891,932 reported as deferred outflows of resources is related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the subsequent year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2025	\$ 595,934
2026	860,289
2027	1,204,077
2028	200,996
2029	221,620
Thereafter	399,576
	<u>\$ 3,482,492</u>

NOTES TO THE BASIC FINANCIAL STATEMENTS

Actuarial Assumptions

The actuarial valuations as of January 1, 2024, determined the total pension liability using the following actuarial assumptions and other inputs:

	Total Pension Liability	Actuarially Determined Contributions
Actuarial Valuation Date	January 1, 2024	January 1, 2023
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Leave % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases	4.25% - 11.25%	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%	0%
*includes inflation at	2.5%	2.5%

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

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

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

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

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These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Rate of Return
Global Equity	35%	8.33%
Equity Long/Short	6%	7.27%
Private Markets	34%	10.31%
Fixed Income - Rates	10%	5.35%
Fixed Income - Credit	5%	5.89%
Absolute Return	9%	6.39%
Cash	1%	4.32%
Total	100%	

Discount Rate

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

As of the measurement period ending December 31, 2023, the COLA assumption, which was previously 0.00%, was revised to reflect the true nature of Board's Benefits Policy which includes a variable COLA and supplemental payments. Consistent with Board's policy, the new COLA assumption will fluctuate from year to year depending on plan experience and is the long-term COLA assumption which results in no Net Pension Liability. If current assets do not support Total Pension Liabilities using a COLA assumption of greater than 0.00%, then a COLA assumption of 0.00% will be used and a Net Pension Liability will be reported.

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

For purpose of this valuation, the expected rate of return on pension plan investments is 7.00 percent; the municipal bond rate is 4.05 percent (based on weekly rate closest to but not later than the measurement date of the “state & local bonds” rate from Federal Reserve statistical release (H.15)); and the resulting single discount rate is 7.00 percent.

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

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

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ 4,126,014	\$ -	\$ -

Pension Plan Fiduciary Net Position

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

Other Information

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

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

Year Ended December 31,	Defined Benefit Plan Required Contributions		Defined 457 Plan Required Contributions	
	City	Employees	City	Employees
2024	\$ 891,932	\$ 1,104,941	\$ 25,417	\$ 116,193
2023	622,789	876,548	21,828	91,262
2022	586,301	826,139	23,307	92,324

B. Mission Square Retirement

Full-time and Part-time benefitted employees not covered under FPPA are covered by a single employer defined contribution money purchase retirement plan. The contribution requirements of plan participants and the City are established and may be amended by the City Council. The Plan is administered by Mission Square Retirement. In 2024, the contribution rate was set at 19 percent, with the employee contributing 9 percent, and the City contributing 10 percent of each participant’s covered salary. During the year ended December 31, 2024, the City contributions were \$2,206,577 and the employee contributions were \$1,986,498.

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

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

Note 9 – Risk Management

A. Colorado Intergovernmental Risk Sharing Agency (CIRSA)

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. For these risks of loss, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by intergovernmental agreement by member municipalities pursuant to State statute.

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

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

The City is liable for the first \$25,000 on each liability (including auto liability) and property claim, \$5,000 for auto physical damage claim and \$1,000 for worker's compensation claim. Wind and hail damage carry higher deductibles that vary based on the building or equipment insured. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years.

B. Self-Funded Health Plan

The City established a self-funded health plan effective January 1, 2014. The purpose of the program is to pay the health claims of eligible City employees and their covered dependents. As of January 1, 2014 the City entered into an administrative services only

NOTES TO THE BASIC FINANCIAL STATEMENTS

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, 2024.

	<u>2024</u>	<u>2023</u>
Estimated unpaid claims, January 1	\$ 410,600	\$ 316,000
Incurred Claims	4,087,527	5,121,212
Claims Payments	<u>(4,089,827)</u>	<u>(5,026,612)</u>
Estimated unpaid claims, December 31	<u>\$ 408,300</u>	<u>\$ 410,600</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. The amount of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the City anticipates such amounts, if any, will be immaterial.

B. Legal Contingencies

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

C. Contractual Obligations

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

D. Construction and Other Significant Commitments

Brighton has \$187,917,213 in outstanding contracts with various contractors. This total includes \$43,719,864 in contracts for Governmental Activities and \$144,197,49 in contracts for Business-type Activities.

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.

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F. Arbitrage

The Federal Tax Reform Act of 1986 requires issuers of tax-exempt debt to make payments to the United States Treasury for investment income received at yields that exceed the issuer's tax-exempt borrowing rates. The Treasury requires payment for each issue every five years. The estimated liability is updated annually for any tax-exempt issuances or changes in yields until such payment of the calculated liability is due. At December 31, 2024, the City had an accrued arbitrage liability of \$1,178,943.

Note 11 – Tax Abatements

A. Primary Government

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

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

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

All incentive agreements are subject to annual appropriations by City Council as required in the Colorado Constitution and the City Charter. In 2024, the City paid \$3,118,831 in sales tax rebates, of which \$1,183,375 was rebated through BURA as discussed in section B below, and \$1,065,081 in use tax abatements.

B. Component Unit – Brighton Urban Renewal Authority

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

NOTES TO THE BASIC FINANCIAL STATEMENTS

In 2024, the Brighton Urban Renewal Authority paid \$1,183,375 in sales tax rebates which represented City sales tax revenues that are rebated to BURA and then to the recipient with BURA acting as a pass through for the rebate. Additionally, BURA rebated \$1,012,640 in property tax revenues, of which \$125,451 was rebated to the City.

Note 12 – New and Pending Accounting Pronouncements

As of December 31, 2024, The GASB had issued several statements not yet required to be implemented by the City. Management intends to adopt each Statement, if applicable, by the required date, and modify and expand financial statements and disclosures accordingly. The statements which might impact the City are as follows:

1. GASB Statement No. 103, Financial Reporting Model Improvements

This statement will be effective for the City beginning with its fiscal year ending December 31, 2026, with earlier adoption encouraged. Statement No. 103's primary objective is to improve key component of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability.

2. GASB Statement No. 104, Disclosure of Certain Capital Assets

This statement will be effective for the City beginning with its fiscal year ending December 31, 2026, with earlier adoption encouraged. Statement No. 104's primary objective is to provide users of government financial statements with essential information about certain types of capital assets.

Note 13 – Subsequent Events

On February 19, 2025, the City sold \$85,000,000 in revenue bonds secured by the revenues of the Water Activity Enterprise with closing occurring on February 27, 2025. The bonds carry coupon rates ranging from 4.00% - 5.00% with a total interest cost of 4.31%. They will be paid back over 30 year with biannual payments beginning in December 2025. The bond proceeds will be used to finalize construction of the City's new water treatment plant facility.

On March 24, 2025, the Brighton Urban Renewal Authority conveyed ownership of a parcel of land known as the South Main Property to a developer to encourage development of the parcel. BURA originally obtained this parcel in 2015 for the purposes of encouraging development and had recorded it as an Asset Held for Resale since that time. The asset was most recently valued at \$1,625,000 and was transferred for no consideration. This will result in a loss on disposal of the property in 2025.

The City has evaluated subsequent events through May 14, 2024, which is the date the basic financial statements were available to be issued, and no other subsequent events were identified.

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REQUIRED SUPPLEMENTARY INFORMATION



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BASIC FINANCIAL STATEMENTS

BUDGETARY COMPARISON SCHEDULE – GENERAL FUND

Year ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Taxes				
Sales	\$ 28,064,000	\$ 28,064,000	\$ 28,692,455	\$ 628,455
Property	6,584,051	6,584,051	7,272,710	688,659
Use	6,655,035	6,655,035	9,297,524	2,642,489
Franchise	2,013,137	2,013,137	1,809,356	(203,781)
Other	18,687	18,687	42,891	24,204
Licenses and Permits	821,322	821,322	2,690,416	1,869,094
Grants and Intergovernmental	4,704,853	4,894,866	5,040,640	145,774
Charges for Services	6,299,846	6,299,846	4,822,794	(1,477,052)
Fines and Forfeitures	178,333	178,333	378,673	200,340
Investment Earnings	2,093,011	2,093,011	1,503,058	(589,953)
Miscellaneous	781,666	781,666	618,419	(163,247)
Sale of Capital Assets	-	-	120	120
Total Revenues	58,213,941	58,403,954	62,169,056	3,765,102
EXPENDITURES				
General Government	17,931,894	18,444,234	18,315,647	128,587
Public Safety	18,109,603	19,229,773	18,765,271	464,502
Streets and Fleet	4,163,039	4,713,756	4,668,629	45,127
Parks and Recreation	9,169,942	9,537,744	9,242,546	295,198
Community Development	2,903,160	2,929,044	2,729,204	199,840
Total Expenditures	52,277,638	54,854,551	53,721,297	1,133,254
Excess of Revenues Over Expenditures	5,936,303	3,549,403	8,447,759	4,898,356
OTHER FINANCING SOURCES (USES)				
Transfers In	256,000	656,900	256,000	(400,900)
Transfers Out	(20,400,000)	(20,400,000)	(20,813,067)	(413,067)
Total Other Financing Sources (Uses)	(20,144,000)	(19,743,100)	(20,557,067)	(813,967)
Net Change in Fund Balance	\$ (14,207,697)	\$ (16,193,697)	(12,109,308)	\$ 4,084,389
Fund Balance, January 1			52,814,757	
Fund Balance, December 31			<u>\$ 40,705,449</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

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

Last 10 Fiscal Years

Fiscal year ending December 31,

Measurement period ending December 31,	2024	2023	2022	2021	2020	2019	2018	2017	2016
Employer's proportion of the net pension liability (asset)	0.7358%	0.7813%	0.8298%	0.8477%	0.7505%	0.7990%	0.8743%	0.9218%	0.9227%
Employer's proportion of the net pension liability (asset)	\$ -	\$ 693,505	\$ (4,497,098)	\$ (1,840,087)	\$ (424,453)	\$ 1,010,168	\$ (1,257,827)	\$ 333,079	\$ (16,218)
Employer's covered payroll	\$ 7,637,200	\$ 6,807,350	\$ 6,691,216	\$ 6,449,721	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067
Employer's proportion of the net pension liability (asset) as a percentage of its covered payroll	0.0%	10.2%	(67.2%)	(28.5%)	(8.2%)	20.4%	(27.6%)	8.2%	(0.4%)
Plan fiduciary net position as a percentage of the total pension liability	100.00%	97.60%	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%

Notes to the Required Supplementary Information

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.

In 2024, FPPA merged their Statewide Defined Benefit Plan and Statewide Hybrid Plan: Defined Benefit Component to form the single Statewide Retirement Plan: Defined Benefit and Hybrid Defined Benefit Components. This plan merger did not change the terms, underlying conditions or benefits available to participants.

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

See the accompanying independent auditors' report.

SCHEDULE OF EMPLOYER CONTRIBUTIONS

Year ended December 31, 2024

Fiscal Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Statutorily required contribution	\$ 891,932	\$ 622,789	\$ 586,301	\$ 544,673	\$ 442,511	\$ 425,329	\$ 395,604	\$ 355,996	\$ 357,826	\$ 321,048
Contributions in relation to the statutorily required contribution	891,932	622,789	586,301	544,673	442,511	425,329	395,604	355,996	357,826	321,048
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered payroll	\$ 8,975,839	\$ 7,637,200	\$ 6,807,350	\$ 6,691,216	\$ 6,449,721	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067
Contributions as a percentage of covered payroll	9.94%	8.15%	8.61%	8.14%	6.86%	8.20%	7.99%	7.82%	8.78%	7.89%

Notes to the Required Supplementary Information

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

In 2024, FPPA merged their Statewide Defined Benefit Plan and Statewide Hybrid Plan: Defined Benefit Component to form the single Statewide Retirement Plan: Defined Benefit and Hybrid Defined Benefit Components. This plan merger did not change the terms, underlying conditions or benefits available to participants.

Changes in Assumptions

1. The price inflation assumption was lowered to 2.50% from 3.005% in 2018.
2. Effective January 1, 2016, the post-retirement mortality assumption for healthy lives was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for blue collar employees with scale BB.
3. Beginning in 2015, members elected to increase member contribution rates 0.50% annually through 2022 when the contribution rate will reach 12.00%.
4. Employer contribution rates were 8.00% from 2014 through 2020. Employer contribution rates will increase 0.50% annually through 2028 when the employer contribution rate will reach 12.00%.

Changes in Benefits

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

See the accompanying independent auditors' report.

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OTHER SUPPLEMENTARY INFORMATION

COMBINING STATEMENTS AND BUDGETARY COMPARISON SCHEDULES BY FUND



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NONMAJOR GOVERNMENTAL FUNDS - DESCRIPTIONS

Special Revenue Funds

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

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

Permanent Fund

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

FINANCIAL SECTION

NONMAJOR GOVERNMENTAL FUNDS – COMBINING BALANCE SHEET

December 31, 2024

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETARY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL FUND	
ASSETS								
Cash and Investments	\$ 726,839	\$ 459,105	\$ 230,375	\$ 406,966	\$ 980,231	\$ 12,404,029	\$ 2,448,201	\$ 17,655,746
Accounts Receivable	-	-	142,816	-	-	-	-	142,816
Taxes Receivable	-	-	-	-	27,697	-	-	27,697
Total Assets	<u>\$ 726,839</u>	<u>\$ 459,105</u>	<u>\$ 373,191</u>	<u>\$ 406,966</u>	<u>\$ 1,007,928</u>	<u>\$ 12,404,029</u>	<u>\$ 2,448,201</u>	<u>\$ 17,826,259</u>
LIABILITIES								
Accounts Payable	\$ 15,200	\$ -	\$ 3,770	\$ 41,646	\$ -	\$ -	\$ -	\$ 60,616
Accrued Wages Payable	-	-	12,677	-	-	-	-	12,677
Deposits and Escrows	646,441	-	19,000	-	-	-	-	665,441
Total Liabilities	<u>661,641</u>	<u>-</u>	<u>35,447</u>	<u>41,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,734</u>
FUND BALANCE								
Restricted	65,198	459,105	22,927	365,320	1,007,928	6,657	-	1,927,135
Committed	-	-	314,817	-	-	12,397,372	2,448,201	15,160,390
Total Fund Balance	<u>65,198</u>	<u>459,105</u>	<u>337,744</u>	<u>365,320</u>	<u>1,007,928</u>	<u>12,404,029</u>	<u>2,448,201</u>	<u>17,087,525</u>
Total Liabilities and Fund Balance	<u>\$ 726,839</u>	<u>\$ 459,105</u>	<u>\$ 373,191</u>	<u>\$ 406,966</u>	<u>\$ 1,007,928</u>	<u>\$ 12,404,029</u>	<u>\$ 2,448,201</u>	<u>\$ 17,826,259</u>

See the accompanying independent auditors' report.

OTHER SUPPLEMENTARY INFORMATION

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

Year ended December 31, 2024

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETARY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL FUND	
REVENUES								
Taxes								
Other	\$ -	\$ -	\$ -	\$ -	\$ 479,433	\$ -	\$ -	\$ 479,433
Grants and Intergovernmental	-	467,210	-	-	-	-	-	467,210
Charges for Services	-	-	455,430	-	-	4,146,893	106,675	4,708,998
Investment Earnings	31,699	13,871	12,976	15,829	34,212	370,678	89,304	568,569
Miscellaneous	-	-	16,783	-	-	-	-	16,783
Total Revenues	31,699	481,081	485,189	15,829	513,645	4,517,571	195,979	6,240,993
EXPENDITURES								
General Government	-	-	-	-	399,789	221,890	-	621,679
Streets and Fleet	-	-	-	121,803	-	-	-	121,803
Cemetery	-	-	764,227	-	-	-	-	764,227
Capital Outlay								
Parks and Recreation	-	146,652	-	-	-	-	-	146,652
Total Expenditures	-	146,652	764,227	121,803	399,789	221,890	-	1,654,361
Excess (Deficiency) of Revenues Over (Under) Expenditures	31,699	334,429	(279,038)	(105,974)	113,856	4,295,681	195,979	4,586,632
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	404,215	-	-	-	175,173	579,388
Transfers Out	(6,000)	(250,000)	(175,173)	-	-	(3,758,058)	(204,215)	(4,393,446)
Total Other Financing Sources (Uses)	(6,000)	(250,000)	229,042	-	-	(3,758,058)	(29,042)	(3,814,058)
Net Change in Fund Balance	25,699	84,429	(49,996)	(105,974)	113,856	537,623	166,937	772,574
Fund Balance, January 1 , as originally stated	39,499	374,676	387,740	471,294	894,072	10,419,562	2,281,264	14,868,107
Prior Period Adjustments (Note 1)	-	-	-	-	-	1,446,844	-	1,446,844
As Restated	39,499	374,676	387,740	471,294	894,072	11,866,406	2,281,264	16,314,951
Fund Balance, December 31	\$ 65,198	\$ 459,105	\$ 337,744	\$ 365,320	\$ 1,007,928	\$ 12,404,029	\$ 2,448,201	\$ 17,087,525

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – LANDSCAPING FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Investment Earnings	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,699</u>	<u>\$ 31,699</u>
Total Revenues	<u>-</u>	<u>-</u>	<u>31,699</u>	<u>31,699</u>
OTHER FINANCING USES				
Transfers Out	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>
Net Change in Fund Balance	<u><u>\$ (6,000)</u></u>	<u><u>\$ (6,000)</u></u>	<u>25,699</u>	<u><u>\$ 31,699</u></u>
Fund Balance, January 1			<u>39,499</u>	
Fund Balance, December 31			<u><u>\$ 65,198</u></u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – LOTTERY FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Grants and Intergovernmental	\$ 651,573	\$ 651,573	\$ 467,210	\$ (184,363)
Investment Earnings	15,000	15,000	13,871	(1,129)
Total Revenues	<u>666,573</u>	<u>666,573</u>	<u>481,081</u>	<u>(185,492)</u>
EXPENDITURES				
Capital Outlay				
Parks and Recreation	<u>423,416</u>	<u>423,416</u>	<u>146,652</u>	<u>276,764</u>
Total Expenditures	<u>423,416</u>	<u>423,416</u>	<u>146,652</u>	<u>276,764</u>
Excess of Revenues Over Expenditures	<u>243,157</u>	<u>243,157</u>	<u>334,429</u>	<u>91,272</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>\$ (6,843)</u>	<u>\$ (6,843)</u>	<u>84,429</u>	<u>\$ 91,272</u>
Fund Balance, January 1			<u>374,676</u>	
Fund Balance, December 31			<u>\$ 459,105</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – CEMETERY FUND

Year ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Charges for Services	\$ 416,131	\$ 416,131	\$ 455,430	\$ 39,299
Investment Earnings	5,000	5,000	12,976	7,976
Miscellaneous	-	-	16,783	16,783
Total Revenues	421,131	421,131	485,189	64,058
EXPENDITURES				
Cemetery	634,421	754,511	764,227	(9,716)
Budget Reserves	40,000	40,000	-	40,000
Total Expenditures	674,421	794,511	764,227	30,284
Deficiency of Revenues Under Expenditures	(253,290)	(373,380)	(279,038)	94,342
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	200,000	404,215	204,215
Transfers Out	(1,000)	(175,173)	(175,173)	-
Total Other Financing Sources (Uses)	199,000	24,827	229,042	204,215
Net Change in Fund Balance	<u>\$ (54,290)</u>	<u>\$ (348,553)</u>	(49,996)	<u>\$ 298,557</u>
Fund Balance, January 1			387,740	
Fund Balance, December 31			<u>\$ 337,744</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – HIGHWAY FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Investment Earnings	<u>\$ 15,000</u>	<u>\$ 15,000</u>	<u>\$ 15,829</u>	<u>\$ 829</u>
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>15,829</u>	<u>829</u>
EXPENDITURES				
Streets and Fleet	<u>125,000</u>	<u>125,000</u>	<u>121,803</u>	<u>3,197</u>
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>121,803</u>	<u>3,197</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(110,000)</u>	<u>(110,000)</u>	<u>(105,974)</u>	<u>4,026</u>
Net Change in Fund Balance	<u>\$ (110,000)</u>	<u>\$ (110,000)</u>	<u>(105,974)</u>	<u>\$ 4,026</u>
Fund Balance, January 1			<u>471,294</u>	
Fund Balance, December 31			<u>\$ 365,320</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – LODGING TAX FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Taxes				
Other	\$ 500,000	\$ 500,000	\$ 479,433	\$ (20,567)
Investment Earnings	<u>15,000</u>	<u>15,000</u>	<u>34,212</u>	<u>19,212</u>
Total Revenues	<u>515,000</u>	<u>515,000</u>	<u>513,645</u>	<u>(1,355)</u>
EXPENDITURES				
General Government	<u>479,404</u>	<u>569,404</u>	<u>399,789</u>	<u>169,615</u>
Total Expenditures	<u>479,404</u>	<u>589,404</u>	<u>399,789</u>	<u>189,615</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>35,596</u>	<u>(74,404)</u>	<u>113,856</u>	<u>188,260</u>
Net Change in Fund Balance	<u>\$ 35,596</u>	<u>\$ (74,404)</u>	<u>113,856</u>	<u>\$ 188,260</u>
Fund Balance, January 1			<u>894,072</u>	
Fund Balance, December 31			<u>\$ 1,007,928</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – IMPACT FEES FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Charges for Services	\$ 2,800,000	\$ 2,800,000	\$ 4,146,893	\$ 1,346,893
Investment Earnings	200,000	200,000	370,678	170,678
Total Revenues	<u>3,000,000</u>	<u>3,000,000</u>	<u>4,517,571</u>	<u>1,517,571</u>
EXPENDITURES				
General Government	<u>300,000</u>	<u>300,000</u>	<u>221,890</u>	<u>78,110</u>
Total Expenditures	<u>300,000</u>	<u>300,000</u>	<u>221,890</u>	<u>78,110</u>
Excess of Revenues Over Expenditures	<u>2,700,000</u>	<u>2,700,000</u>	<u>4,295,681</u>	<u>1,595,681</u>
OTHER FINANCING USES				
Transfers Out	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>(3,758,058)</u>	<u>441,942</u>
Total Other Financing Uses	<u>(4,200,000)</u>	<u>(4,200,000)</u>	<u>(3,758,058)</u>	<u>441,942</u>
Net Change in Fund Balance	<u>\$ (1,500,000)</u>	<u>\$ (1,500,000)</u>	537,623	<u>\$ 2,037,623</u>
Fund Balance, January 1, as originally stated			10,419,562	
Prior Period Adjustment (Note 1)			<u>1,446,844</u>	
As Restated			<u>11,866,406</u>	
Fund Balance, December 31			<u>\$ 12,404,029</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – CEMETERY PERPETUAL CARE FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Charges for Services	\$ 80,000	\$ 80,000	\$ 106,675	\$ 26,675
Investment Earnings	<u>5,000</u>	<u>5,000</u>	<u>89,304</u>	<u>84,304</u>
Total Revenues	<u>85,000</u>	<u>85,000</u>	<u>195,979</u>	<u>110,979</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,000	1,000	175,173	174,173
Transfers Out	<u>-</u>	<u>(204,215)</u>	<u>(204,215)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,000</u>	<u>(203,215)</u>	<u>(29,042)</u>	<u>174,173</u>
Net Change in Fund Balance	<u>\$ 86,000</u>	<u>\$ (118,215)</u>	166,937	<u>\$ 285,152</u>
Fund Balance, January 1			<u>2,281,264</u>	
Fund Balance, December 31			<u>\$ 2,448,201</u>	

See the accompanying independent auditors' report.

CAPITAL PROJECTS FUNDS - DESCRIPTIONS

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

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

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

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – CAPITAL IMPROVEMENT FUND

Year ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
REVENUES				
Taxes				
Sales	\$ 7,811,733	\$ 7,811,733	\$ 8,675,779	\$ 864,046
Franchise	362,990	362,990	301,669	(61,321)
Other	24,690	24,690	5,216	(19,474)
Grants and Intergovernmental	3,126,488	3,126,488	2,460,831	(665,657)
Investment Earnings	653,476	653,476	1,586,651	933,175
Developer Contributions	187,500	187,500	-	(187,500)
Oil & Gas Royalties	4,000,000	4,000,000	7,692,493	3,692,493
Miscellaneous	1,500,000	1,500,000	48,282	(1,451,718)
Sale of Capital Assets	-	-	94,387	94,387
Total Revenues	17,666,877	17,666,877	20,865,308	3,198,431
EXPENDITURES				
Capital Outlay				
General Government	3,184,533	3,480,616	2,020,013	1,460,603
Public Safety	795,000	795,000	216,690	578,310
Streets and Fleet	59,203,617	53,021,096	33,821,821	19,199,275
Parks and Recreation	125,000	125,000	116,443	8,557
Budget Reserves	200,000	200,000	-	200,000
Debt Service				
Principal	855,240	855,240	882,561	(27,321)
Interest Expense and Fees	264,682	264,682	242,196	22,486
Total Expenditures	64,628,072	58,741,634	37,299,724	21,441,910
Deficiency of Revenues Under Expenditures	(46,961,195)	(41,074,757)	(16,434,416)	24,640,341
OTHER FINANCING SOURCES				
Transfers In	6,900,000	6,900,000	6,458,058	(441,942)
Total Other Financing Sources	6,900,000	6,900,000	6,458,058	(441,942)
Net Change in Fund Balance	<u>\$ (40,061,195)</u>	<u>\$ (34,174,757)</u>	(9,976,358)	<u>\$ 24,198,399</u>
Fund Balance, January 1			40,102,250	
Fund Balance, December 31			<u>\$ 30,125,892</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – PARKS AND RECREATION CAPITAL IMPROVEMENT FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES				
Taxes				
Sales	\$ 6,312,854	\$ 6,312,854	\$ 5,938,308	\$ (374,546)
Grants and Intergovernmental	1,173,481	1,173,481	924,933	(248,548)
Investment Earnings	100,000	100,000	1,642,699	1,542,699
Miscellaneous	152,408	152,408	997,809	845,401
	<u>7,738,743</u>	<u>7,738,743</u>	<u>9,503,749</u>	<u>1,765,006</u>
EXPENDITURES				
Capital Outlay				
Parks and Recreation	21,208,142	21,331,657	14,150,005	7,181,652
Budget Reserves	200,000	200,000	-	200,000
Debt Service				
Principal	757,589	757,589	757,589	-
Interest Expense and Fees	465,471	465,471	466,846	(1,375)
	<u>22,631,202</u>	<u>22,754,717</u>	<u>15,374,440</u>	<u>7,380,277</u>
Deficiency of Revenues Under Expenditures	<u>(14,892,459)</u>	<u>(15,015,974)</u>	<u>(5,870,691)</u>	<u>9,145,283</u>
OTHER FINANCING SOURCES				
Transfers In	17,500,000	17,500,000	16,500,000	(1,000,000)
	<u>17,500,000</u>	<u>17,500,000</u>	<u>16,500,000</u>	<u>(1,000,000)</u>
Net Change in Fund Balance	<u>\$ 2,607,541</u>	<u>\$ 2,484,026</u>	10,629,309	<u>\$ 8,145,283</u>
Fund Balance, January 1			<u>26,462,410</u>	
Fund Balance, December 31			<u>\$ 37,091,719</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

PROPRIETARY FUNDS - DESCRIPTIONS

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

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

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

BUDGETARY COMPARISON SCHEDULE – WATER FUND

Year ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 18,262,331	\$ 18,262,331	\$ 18,929,051	\$ 666,720
Tap Fees	46,754	46,754	204,554	157,800
Miscellaneous	802,468	802,468	1,351,626	549,158
Total Revenues	19,111,553	19,111,553	20,485,231	1,373,678
OPERATING EXPENSES				
Operations	19,394,627	20,352,967	12,553,961	7,799,006
Administration	2,572,503	2,572,503	553,456	2,019,047
Principal	5,173,575	5,173,575	1,387,049	3,786,526
Interest Expense and Fees	2,020,100	2,020,100	4,331,126	(2,311,026)
Total Operating Expenses	29,160,805	30,119,145	18,825,592	11,293,553
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	4,658,814	4,658,814	3,848,290	(810,524)
Capital Outlay	(44,372,998)	(89,226,184)	(66,352,212)	22,873,972
Grants and Intergovernmental	-	-	553,871	553,871
Sale of Capital Assets	-	-	(65,135)	(65,135)
Transfers In	-	-	1,300,000	1,300,000
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Revenues and (Expenses)	(39,914,184)	(84,767,370)	(60,715,186)	24,052,184
Loss Before Capital Contributions	(49,963,436)	(95,774,962)	(59,055,547)	14,132,309
CAPITAL CONTRIBUTIONS	4,200,729	4,200,729	22,514,821	18,314,092
Deficiency of Revenues Under Expenses Before Reconciling Items	<u>\$ (45,762,707)</u>	<u>\$ (91,574,233)</u>	\$ (36,540,726)	<u>\$ 32,446,401</u>
ADJUSTMENTS TO GAAP BASIS				
Capitalized Assets			66,352,212	
Long-term Debt Adjustments			1,387,049	
Contributed Capital Assets			12,476,935	
Depreciation			<u>(6,234,097)</u>	
Change in Net Position, GAAP Basis			37,441,373	
Fund Balance, January 1, as originally stated			172,635,951	
Prior Period Adjustment (Note 1)			<u>38,592,752</u>	
As Restated			<u>211,228,703</u>	
Net Position, December 31			<u>\$ 248,670,076</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – WASTEWATER FUND

Year ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 9,947,679	\$ 9,947,679	\$ 10,061,276	\$ 113,597
Miscellaneous	90,000	90,000	230,784	140,784
Total Revenues	10,037,679	10,037,679	10,292,060	254,381
OPERATING EXPENSES				
Operations	5,663,988	5,705,697	6,350,183	(644,486)
Administration	1,528,202	1,528,202	1,299,813	228,389
Principal	1,680,310	1,680,310	1,717,592	(37,282)
Interest Expense and Fees	1,755,714	1,755,714	1,707,523	48,191
Total Operating Expenses	10,628,214	10,669,923	11,075,111	(405,188)
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	510,973	510,973	226,060	(284,913)
Capital Outlay	(2,590,330)	(2,907,605)	(789,601)	2,118,004
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Expenses	(2,279,357)	(2,596,632)	(563,541)	2,033,091
Loss Before Capital Contributions	(2,869,892)	(3,228,876)	(1,346,592)	2,692,660
CAPITAL CONTRIBUTIONS	-	-	547,313	547,313
Deficiency of Revenues Under Expenses Before Reconciling Items	\$ (2,869,892)	\$ (3,228,876)	\$ (799,279)	\$ 3,239,973
ADJUSTMENTS TO GAAP BASIS				
Capitalized Assets			789,601	
Long-term Debt Adjustments			1,717,592	
Contributed Capital Assets			4,471,988	
Depreciation			(1,688,212)	
Change in Net Position, GAAP Basis			4,491,690	
Net Position, January 1			(7,576,697)	
Net Position, December 31			\$ (3,085,007)	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – STORM DRAINAGE FUND

Year ended December 31, 2024

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE
OPERATING REVENUES				
Charges for Services	\$ 1,575,021	\$ 1,575,021	\$ 1,841,700	\$ 266,679
Miscellaneous	34,759	34,759	52,872	18,113
Total Revenues	1,609,780	1,609,780	1,894,572	284,792
OPERATING EXPENSES				
Operations	271,377	274,505	319,147	(44,642)
Administration	721,161	721,161	496,947	224,214
Total Operating Expenses	992,538	995,666	816,094	179,572
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	91,633	91,633	106,613	14,980
Capital Outlay	(4,038,908)	(3,959,190)	(2,201,359)	1,757,831
Developer Reimbursements	-	-	(164,880)	(164,880)
Transfers In	-	-	113,067	113,067
Budget Reserves	(200,000)	(200,000)	-	200,000
Total Nonoperating Revenues (Expenses)	(4,147,275)	(4,067,557)	(2,146,559)	1,920,998
Loss Before Capital Contributions	(3,530,033)	(3,453,443)	(1,068,081)	2,026,218
CAPITAL CONTRIBUTIONS	790,292	790,292	1,478,694	688,402
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (2,739,741)</u>	<u>\$ (2,663,151)</u>	\$ 410,613	<u>\$ 2,714,620</u>
ADJUSTMENTS TO GAAP BASIS				
Capitalized Assets			2,201,359	
Contributed Capital Assets			3,240,358	
Depreciation			(1,891,026)	
Change in Net Position, GAAP Basis			3,961,304	
Net Position, January 1			34,039,694	
Net Position, December 31			<u>\$ 38,000,998</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

INTERNAL SERVICE FUNDS - DESCRIPTIONS

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

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

INTERNAL SERVICE FUNDS – COMBINING STATEMENT OF NET POSITION

Year ended December 31, 2024

	BENEFITS FUND	FLEET FUND	TOTAL
ASSETS			
Current Assets			
Cash and Investments	\$ 3,931,806	\$ 20,509	\$ 3,952,315
Accounts Receivable	259,713	1,120	260,833
Inventory	-	78,605	78,605
Total Current Assets	4,191,519	100,234	4,291,753
LIABILITIES			
Current Liabilities			
Accounts Payable	2,509	4,459	6,968
Accrued Wages Payable	-	19,891	19,891
Estimated Unpaid Claims	408,300	-	408,300
Total Liabilities	410,809	24,350	435,159
NET POSITION			
Unrestricted	3,780,710	75,884	3,856,594
Total Net Position	\$ 3,780,710	\$ 75,884	\$ 3,856,594

See the accompanying independent auditors' report.

FINANCIAL SECTION

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

Year ended December 31, 2024

	BENEFITS FUND	FLEET FUND	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 5,761,013	\$ 1,092,895	\$ 6,853,908
Total Operating Revenues	5,761,013	1,092,895	6,853,908
OPERATING EXPENSES			
Insurance Claims	4,089,827	-	4,089,827
Insurance Premiums	1,093,536	-	1,093,536
Professional Services	267,360	-	267,360
Personnel Services	-	590,464	590,464
Operations	-	36,708	36,708
Administration	-	156,474	156,474
Repairs and Maintenance	-	272,804	272,804
Miscellaneous	1,717	472	2,189
Total Operating Expenses	5,452,440	1,056,922	6,509,362
Operating Income (Loss)	308,573	35,973	344,546
NONOPERATING REVENUES (EXPENSES)			
Investment Earning (Loss)	140,290	(4,413)	135,877
Total Nonoperating Revenues and (Expenses)	140,290	(4,413)	135,877
Change in Net Position	448,863	31,560	480,423
Net Position, January 1	3,331,847	44,324	3,376,171
Net Position, December 31	\$ 3,780,710	\$ 75,884	\$ 3,856,594

See the accompanying independent auditors' report.

INTERNAL SERVICE FUNDS – COMBINING STATEMENT OF CASH FLOWS

Year ended December 31, 2024

	BENEFITS FUND	FLEET FUND	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 5,888,098	\$ 1,092,895	\$ 6,980,993
Other Payments	-	(361,778)	(361,778)
Payments to Suppliers and Service Providers	(5,761,316)	(793,174)	(6,554,490)
Net Cash Provided (Used) by Operating Activities	126,782	(62,057)	64,725
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received on Investments	140,290	(4,413)	135,877
Net Cash Provided (Used) by Investing Activities	140,290	(4,413)	135,877
Net Increase (Decrease) in Cash and Cash Equivalents	267,072	(66,470)	200,602
Cash and Cash Equivalents, January 1	3,664,734	86,979	3,751,713
Cash and Cash Equivalents, December 31	\$ 3,931,806	\$ 20,509	\$ 3,952,315
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Operating Income	\$ 308,573	\$ 35,973	\$ 344,546
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Changes in Assets and Liabilities:			
Accounts Receivable	127,085	-	127,085
Inventory	-	51,702	51,702
Accounts Payable	(306,576)	(140,676)	(447,252)
Accrued Wages Payable	-	(262)	(262)
Compensated Absences	(2,300)	(8,794)	(11,094)
Total Adjustments	(181,791)	(98,030)	(279,821)
Net Cash Provided (Used) by Operating Activities	\$ 126,782	\$ (62,057)	\$ 64,725

See the accompanying independent auditors' report.

FINANCIAL SECTION

BUDGETARY COMPARISON SCHEDULE – BENEFITS FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
OPERATING REVENUES				
Charges for Services	<u>\$ 4,874,044</u>	<u>\$ 4,874,044</u>	<u>\$ 5,761,013</u>	<u>\$ 886,969</u>
Total Revenues	<u>4,874,044</u>	<u>4,874,044</u>	<u>5,761,013</u>	<u>886,969</u>
OPERATING EXPENSES				
Insurance Claims	4,025,000	4,525,000	4,089,827	435,173
Insurance Premiums	969,130	969,130	1,093,536	(124,406)
Professional Services	358,000	358,000	267,360	90,640
Miscellaneous	<u>19,391</u>	<u>19,391</u>	<u>1,717</u>	<u>17,674</u>
Total Operating Expenses	<u>5,371,521</u>	<u>5,871,521</u>	<u>5,452,440</u>	<u>419,081</u>
Operating Income (Loss)	<u>(497,477)</u>	<u>(997,477)</u>	<u>308,573</u>	<u>1,306,050</u>
NONOPERATING REVENUES				
Investment Earnings	<u>5,000</u>	<u>5,000</u>	<u>140,290</u>	<u>135,290</u>
Total Nonoperating Revenues	<u>5,000</u>	<u>5,000</u>	<u>140,290</u>	<u>135,290</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ (492,477)</u>	<u>\$ (992,477)</u>	448,863	<u>\$ 1,441,340</u>
Net Position, January 1			<u>3,331,847</u>	
Net Position, December 31			<u>\$ 3,780,710</u>	

See the accompanying independent auditors' report.

BUDGETARY COMPARISON SCHEDULE – FLEET FUND

Year ended December 31, 2024

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
OPERATING REVENUES				
Charges for Services	\$ 965,360	\$ 1,156,375	\$ 1,092,895	\$ (63,480)
Total Revenues	<u>965,360</u>	<u>1,156,375</u>	<u>1,092,895</u>	<u>(63,480)</u>
OPERATING EXPENSES				
Personnel Services	659,051	659,051	590,464	68,587
Operations	45,000	76,015	36,708	39,307
Supplies	54,772	214,772	156,474	58,298
Repairs and Maintenance	201,737	401,737	272,804	128,933
Miscellaneous	<u>9,800</u>	<u>9,800</u>	<u>472</u>	<u>9,328</u>
Total Operating Expenses	<u>970,360</u>	<u>1,361,375</u>	<u>1,056,922</u>	<u>304,453</u>
Operating Income (Loss)	<u>(5,000)</u>	<u>(205,000)</u>	<u>35,973</u>	<u>240,973</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings (Loss)	<u>10,000</u>	<u>10,000</u>	<u>(4,413)</u>	<u>(14,413)</u>
Total Nonoperating Revenues (Expenses)	<u>10,000</u>	<u>10,000</u>	<u>(4,413)</u>	<u>(14,413)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 5,000</u>	<u>\$ (195,000)</u>	31,560	<u>\$ 226,560</u>
Net Position, January 1			<u>44,324</u>	
Net Position, December 31			<u>\$ 75,884</u>	

See the accompanying independent auditors' report.

FINANCIAL SECTION

COMPONENT UNITS - DESCRIPTIONS

Brighton Urban Renewal Authority (BURA)

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

Brighton Cultural Arts Commission (BCAC)

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

Brighton Economic Development Corporation (BEDC)

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

Brighton Legacy Foundation (BLF)

BLF is a 501c (3) non profit formed for the purpose of supporting non-profit organizations that serve the Brighton community. The organization receives the majority of its funding from the City of Brighton and then awards those funds to local organizations through competitive grant programs.

FINANCIAL SECTION

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

Year ended December 31, 2024

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	BRIGHTON ECONOMIC DEVELOPMENT CORPORATION	BRIGHTON LEGACY FOUNDATION	TOTAL
REVENUES					
Taxes					
Sales	\$ 1,183,375	\$ -	\$ -	\$ -	\$ 1,183,375
Property	5,757,183	-	-	-	5,757,183
Grants and Intergovernmental	80,000	-	82,613	151,463	314,076
Charges for Services	632,877	-	64,500	-	697,377
Investment Earnings	427,309	279	2,548	-	430,136
Oil & Gas Royalties	340,004	-	-	-	340,004
Miscellaneous	-	-	258	-	258
Total Operating Revenues	8,420,748	279	149,919	151,463	8,722,409
EXPENDITURES					
Current					
Personnel Services	243,697	-	-	-	243,697
Purchased Services	1,257,526	-	-	-	1,257,526
Operations	302,983	57,343	125,136	2,859	488,321
Capital Outlay	76,991	-	-	-	76,991
Grants Awarded	154,959	-	-	149,500	304,459
Tax Rebates and Incentives	2,196,332	-	-	-	2,196,332
Debt Service					
Principal	945,000	-	-	-	945,000
Interest Expense and Fees	138,107	-	-	-	138,107
Total Expenditures	5,315,595	57,343	125,136	152,359	5,650,433
Net Change in Fund Balance	3,105,153	(57,064)	24,783	(896)	3,071,976
Fund Balance, January 1, as originally stated	7,995,232	57,064	248,573	-	8,300,869
Prior Period Adjustments (Note 1)	444,741	-	-	7,145	451,886
As Restated	8,439,973	57,064	248,573	7,145	8,752,755
Fund Balance, December 31	\$ 11,545,126	\$ -	\$ 273,356	\$ 6,249	\$ 11,824,731
Amount Reported in the Statement of Activities is Different due to:					
Net Change in Fund Balances	\$ 3,105,153	\$ (57,064)	\$ 24,783	\$ (896)	\$ 3,071,976
Change in Accrued Interest	1,359	-	-	-	1,359
Depreciation	(232,088)	-	-	-	(232,088)
Capital Outlay	76,991	-	-	-	76,991
Principal Payments	945,000	-	-	-	945,000
Change in Accrued Compensated Absences	(4,875)	-	-	-	(4,875)
Amortization of Loss on Refunding	(24,823)	-	-	-	(24,823)
Change in Net Position	\$ 3,866,717	\$ (57,064)	\$ 24,783	\$ (896)	\$ 3,833,540

See the accompanying independent auditors' report.

STATISTICAL SECTION



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SCHEDULE 1 – NET POSITION
(most recent 10 years, amounts expressed in thousands)
December 31, 2024

	2015	2016	2017	2018	2019
Governmental Activities					
Net Investment in capital assets	\$ 90,489	\$ 86,601	\$ 94,990	\$ 98,819	\$ 102,396
Restricted	15,869	26,569	26,575	25,486	16,325
Unrestricted	25,707	32,960	32,961	43,836	65,700
Total governmental activities net position	<u>\$ 132,065</u>	<u>\$ 146,130</u>	<u>\$ 154,526</u>	<u>\$ 168,141</u>	<u>\$ 184,421</u>
Business-type Activities					
Net Investment in capital assets	\$ 98,864	\$ 102,032	\$ 110,314	\$ 126,259	\$ 114,966
Restricted	-	-	-	190	155
Unrestricted	57,016	61,261	65,549	61,461	69,654
Total business-type activities net position	<u>\$ 155,880</u>	<u>\$ 163,293</u>	<u>\$ 175,863</u>	<u>\$ 187,910</u>	<u>\$ 184,775</u>
Primary Government					
Net Investment in capital assets	\$ 189,353	\$ 188,633	\$ 205,304	\$ 225,078	\$ 217,362
Restricted	15,869	26,569	26,575	25,676	16,480
Unrestricted	82,723	94,221	98,510	105,297	135,354
Total primary government net position	<u>\$ 287,945</u>	<u>\$ 309,423</u>	<u>\$ 330,389</u>	<u>\$ 356,051</u>	<u>\$ 369,196</u>
	2020	2021	2022	2023	2024
Governmental Activities					
Net Investment in capital assets	\$ 122,195	\$ 115,983	\$ 126,113	\$ 161,386	\$ 201,112
Restricted	17,758	36,138	19,476	29,091	40,333
Unrestricted	76,552	79,379	110,370	109,413	92,059
Total governmental activities net position	<u>\$ 216,505</u>	<u>\$ 231,500</u>	<u>\$ 255,959</u>	<u>\$ 299,890</u>	<u>\$ 333,504</u>
Business-type Activities					
Net Investment in capital assets	\$ 133,669	\$ 145,886	\$ 166,979	\$ 187,735	\$ 258,991
Restricted	-	-	-	74,533	-
Unrestricted	64,860	56,504	50,257	(63,169)	24,595
Total business-type activities net position	<u>\$ 198,529</u>	<u>\$ 202,390</u>	<u>\$ 217,236</u>	<u>\$ 199,099</u>	<u>\$ 283,586</u>
Primary Government					
Net Investment in capital assets	\$ 255,864	\$ 261,869	\$ 293,092	\$ 349,121	\$ 460,103
Restricted	17,758	36,138	19,476	103,623	40,333
Unrestricted	141,412	135,883	160,627	46,244	116,654
Total primary government net position	<u>\$ 415,034</u>	<u>\$ 433,890</u>	<u>\$ 473,195</u>	<u>\$ 498,989</u>	<u>\$ 617,090</u>

SOURCE: Current and prior year's financial statements

SCHEDULE 2 – CHANGES IN NET POSITION
(most recent 10 years, amounts expressed in thousands)
Year ended December 31, 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses											
Governmental Activities:											
General Government	\$ 10,552	\$ 10,649	\$ 11,035	\$ 11,550	\$ 11,337	\$ 16,251	\$ 18,529	\$ 16,123	\$ 15,100	\$ 19,545	\$ 21,846
Public Safety	8,650	9,494	10,649	12,642	11,362	12,866	14,509	15,100	14,634	16,742	18,296
Streets and Fleet	7,057	8,842	9,289	11,869	10,275	11,546	9,482	15,720	16,721	17,948	19,974
Parks and Recreation	7,633	7,924	8,024	9,296	9,458	9,080	10,096	10,527	11,826	11,913	14,394
Cemetery	313	380	456	515	581	506	554	785	650	702	818
Community Development	1,441	1,903	1,941	2,407	3,107	2,416	2,483	2,177	2,320	2,671	2,724
Interest on long-term debt	1,765	1,594	1,658	1,909	1,710	1,661	1,895	646	797	753	704
Total governmental activities expenses	37,411	40,786	43,052	50,188	47,830	54,326	57,548	61,078	62,048	70,274	78,757
Business-type Activities:											
Water	11,762	11,768	13,305	13,979	14,750	17,858	21,293	20,940	26,287	25,915	23,673
Waste Water	4,627	4,756	5,209	9,837	6,501	7,592	8,017	8,200	10,255	55,893	11,046
Storm Drainage	971	1,011	1,153	1,778	1,708	2,270	2,239	2,024	2,433	2,893	2,872
Total business-type activities expenses	17,360	17,535	19,667	25,594	22,959	27,720	31,549	31,164	38,975	84,701	37,591
Total primary governmental expenses	54,771	58,321	62,719	75,782	70,789	82,046	89,097	92,242	101,023	154,975	116,348
Program Revenues											
Governmental activities:											
Charges for services:											
General Government	925	682	729	1,465	870	3,046	4,850	4,942	\$ 4,200	\$ 4,341	\$ 2,146
Public Safety	638	164	247	208	614	731	485	394	261	332	443
Streets and Fleet	463	454	509	1,121	1,379	1,704	1,373	634	1,178	1,487	-
Parks and Recreation	1,833	1,522	1,696	2,245	1,526	1,338	1,184	1,092	4,295	1,899	5,873
Cemetery	262	254	397	412	347	317	493	443	596	491	562
Community Development	801	1,271	1,239	1,353	2,650	3,125	2,090	2,017	2,600	2,016	3,566
Operating grants and contributions	5,276	2,355	3,376	5,361	2,712	3,425	7,738	5,480	7,378	14,192	8,894
Capital grants and contributions	1,920	8,556	5,527	12,709	7,730	9,519	22,400	6,422	8,521	19,649	12,478
Total governmental activity revenues	12,118	15,258	13,720	24,874	17,828	23,205	40,613	21,424	29,029	44,407	33,963
Business-type activities:											
Charges for services											
Water	8,820	10,023	11,664	14,261	14,028	13,030	12,260	13,543	15,461	15,525	18,929
Waste Water	5,690	4,993	6,843	7,435	7,960	8,159	6,803	7,975	8,523	8,040	10,061
Storm Drainage	595	507	613	733	816	862	749	928	1,157	1,452	1,842
Operating grants and contributions	-	-	-	-	107	115	129	90	133	99	205
Capital grants and contributions	5,388	9,651	7,016	15,081	10,730	11,903	23,227	12,491	28,604	35,252	45,284
Total business-type activities revenues	20,493	25,174	26,136	37,510	33,641	34,069	43,168	35,027	53,878	60,368	76,321
Total primary government revenues	32,611	40,432	39,856	62,384	51,469	57,274	83,781	56,451	82,907	104,775	110,284
Net (Expense)/Revenue											
Governmental activities	(25,293)	(25,528)	(29,332)	(25,314)	(30,002)	(31,121)	(16,935)	(39,654)	(33,019)	(25,867)	(44,794)
Business-type activities	3,133	7,639	6,469	11,916	10,682	6,349	11,619	3,863	14,903	(24,333)	38,730
Total primary government net	(22,160)	(17,889)	(22,863)	(13,398)	(19,320)	(24,772)	(5,316)	(35,791)	(18,116)	(50,200)	(6,064)

SCHEDULE 2 – CHANGES IN NET POSITION (continued)
(most recent 10 years, amounts expressed in thousands)
Year ended December 31, 2024

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Revenues and											
Changes in Net Position											
Governmental activities:											
Taxes	28,812	30,668	42,086	33,183	38,084	41,674	42,951	47,025	53,215	53,632	62,516
Investment earnings	551	1,072	684	522	1,166	1,914	2,114	(463)	(2,409)	6,495	5,437
Sale of capital assets	-	-	-	-	120	33	85	-	168	2	94
Miscellaneous	156	508	628	5	2,653	4,387	3,869	8,087	6,503	9,670	10,327
Transfers	(25)	-	-	-	-	(607)	-	-	-	-	(1,413)
Total governmental activities	29,494	32,248	43,398	33,710	42,023	47,401	49,019	54,649	57,477	69,799	76,961
Business-type activities:											
Investment income	138	267	510	431	931	1,683	1,825	(272)	(368)	6,025	4,181
Miscellaneous	232	95	434	223	435	528	319	269	316	138	1,635
Sale of capital assets	-	-	-	-	-	42	(9)	-	(5)	33	(65)
Transfers	25	-	-	-	-	607	-	-	-	-	1,413
Total business-type activities	395	362	944	654	1,366	2,860	2,135	(3)	(57)	6,196	7,164
Total primary government	29,889	32,610	44,342	34,364	43,389	50,261	51,154	54,646	57,420	75,995	84,125
Changes in Net Position											
Governmental activities	4,201	6,720	14,065	8,396	12,021	16,280	32,084	14,995	24,458	43,932	32,167
Business-type activities	3,527	8,001	7,413	12,570	12,048	9,209	13,754	3,860	14,846	(18,137)	45,894
Total primary government	\$ 7,728	\$ 14,721	\$ 21,478	\$ 20,966	\$ 24,069	\$ 25,489	\$ 45,838	\$ 18,855	\$ 39,304	\$ 25,795	\$ 78,061

SOURCE: Current and prior year's financial statements

SCHEDULE 3 – FUND BALANCE – GOVERNMENTAL FUNDS
(most recent 10 years, amounts expressed in thousands)
December 31, 2024

	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ 100	\$ 179	\$ 148	\$ 23	\$ 197
Restricted	833	1,408	1,478	1,532	1,579
Committed	7,878	10,229	11,333	10,956	14,402
Assigned	1,661	2,337	3,630	3,630	-
Unassigned	2,074	4,934	3,408	9,067	18,102
Total General Fund	<u>\$ 12,546</u>	<u>\$ 19,087</u>	<u>\$ 19,997</u>	<u>\$ 25,208</u>	<u>\$ 34,280</u>
All Other Governmental Funds Combined					
Nonspendable	\$ -	\$ -	\$ -	\$ 20	\$ -
Restricted	15,035	24,982	25,097	23,357	1,656
Committed	11,252	10,212	11,698	14,769	15,413
Assigned	-	-	-	-	24,772
Total all other governmental funds	<u>\$ 26,287</u>	<u>\$ 35,194</u>	<u>\$ 36,795</u>	<u>\$ 38,146</u>	<u>\$ 41,841</u>
	2020	2021	2022	2023	2024
General Fund					
Nonspendable	\$ 413	\$ 106	\$ -	\$ 110	\$ 102
Restricted	1,715	1,672	1,772	2,490	2,399
Committed	12,390	12,967	15,453	14,737	15,133
Assigned	-	-	-	-	-
Unassigned	28,171	35,650	42,141	35,478	23,071
Total General Fund	<u>\$ 42,689</u>	<u>\$ 50,395</u>	<u>\$ 59,366</u>	<u>\$ 52,815</u>	<u>\$ 40,705</u>
All Other Governmental Funds Combined					
Nonspendable	\$ -	\$ -	\$ 53	\$ 119	\$ 667
Restricted	1,112	21,160	17,704	11,794	13,009
Committed	15,203	16,639	18,026	34,637	19,111
Assigned	30,802	24,096	30,387	34,883	51,518
Total all other governmental funds	<u>\$ 47,117</u>	<u>\$ 61,895</u>	<u>\$ 66,170</u>	<u>\$ 81,433</u>	<u>\$ 84,305</u>

SOURCE: Current and prior year's financial statements

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

Year ended December 31, 2024

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues by Source										
Taxes	\$ 30,030	\$ 41,185	\$ 33,074	\$ 38,085	\$ 41,674	\$ 42,951	\$ 47,024	\$ 53,215	\$ 53,632	\$ 62,515
Licenses, fees and permits	1,004	966	1,053	2,158	2,359	1,568	1,444	1,871	1,444	2,690
Grants & Intergovernmental	5,112	6,754	8,053	6,048	7,068	12,648	6,855	7,116	14,169	8,894
Charges for services	2,863	3,259	4,327	4,722	7,402	8,473	7,765	11,089	8,879	9,532
Fines and forfeitures	462	449	437	404	499	433	314	197	277	379
Investment income	1,072	684	513	1,139	1,885	2,042	(447)	(2,337)	6,312	5,301
Miscellaneous	2,386	2,071	4,200	3,003	3,751	3,772	10,597	6,913	9,666	9,468
Total revenues	<u>42,929</u>	<u>55,368</u>	<u>51,657</u>	<u>55,559</u>	<u>64,638</u>	<u>71,887</u>	<u>73,552</u>	<u>78,064</u>	<u>94,379</u>	<u>98,779</u>
Expenditures by Function										
General Government	9,454	10,302	10,820	10,588	11,108	16,850	14,975	15,830	19,877	20,958
Public Safety	9,048	10,185	10,544	11,725	12,507	13,939	14,644	14,932	17,275	18,982
Streets and Fleet	2,948	3,076	3,445	3,212	3,311	3,375	7,981	11,669	18,375	38,612
Parks and Recreation	4,907	5,155	6,134	6,945	6,766	5,962	8,185	17,100	25,788	23,656
Cemetery	331	417	454	518	486	505	741	585	671	764
Community Development	1,901	1,941	2,436	3,145	2,424	2,489	2,200	2,358	2,663	2,729
Capital Outlay ¹	6,334	12,518	14,111	9,786	12,181	12,182	-	-	-	-
Debt Service-Principal	1,225	805	1,097	1,430	1,477	1,524	1,680	1,530	2,243	1,640
Debt Service-Interest & Fees	1,594	1,629	1,759	1,691	1,641	1,900	663	814	758	709
Total expenditures	<u>37,742</u>	<u>46,028</u>	<u>50,800</u>	<u>49,040</u>	<u>51,901</u>	<u>58,726</u>	<u>51,069</u>	<u>64,818</u>	<u>87,650</u>	<u>108,050</u>
Excess (deficiency) of revenues over (under) expenditures	5,187	9,340	857	6,519	12,737	13,161	22,483	13,246	6,729	(9,271)
Other Financing Sources (Uses)										
Borrowing Proceeds	-	-	-	-	-	19,195	-	-	1,982	-
Borrowing Premium	-	-	-	-	-	3,120	-	-	-	-
Payments to Escrow Agent	-	-	-	-	-	(22,011)	-	-	-	-
Proceeds from Sale of Capital Assets	-	6,115	1,608	19	-	-	-	-	-	-
Dev. Contrib/Insurance Recoveries	-	-	102	-	636	-	-	-	-	-
Transfers in	802	2,308	1,615	1,250	2,859	3,222	1,503	3,176	31,061	23,793
Transfers out	(3,432)	(2,315)	(1,671)	(1,226)	(3,466)	(3,001)	(1,503)	(3,176)	(31,061)	(25,206)
Total other financing sources (uses)	<u>(2,630)</u>	<u>6,108</u>	<u>1,654</u>	<u>43</u>	<u>29</u>	<u>525</u>	<u>-</u>	<u>-</u>	<u>1,982</u>	<u>(1,413)</u>
Net change in fund balances	<u>\$ 2,557</u>	<u>\$ 15,448</u>	<u>\$ 2,511</u>	<u>\$ 6,562</u>	<u>\$ 12,766</u>	<u>\$ 13,686</u>	<u>\$ 22,483</u>	<u>\$ 13,246</u>	<u>\$ 8,711</u>	<u>\$ (10,684)</u>
Debt service as a percentage of noncapital expenditures	<u>8.98%</u>	<u>7.26%</u>	<u>7.78%</u>	<u>7.95%</u>	<u>7.85%</u>	<u>7.94%</u>	<u>4.81%</u>	<u>3.75%</u>	<u>3.55%</u>	<u>2.22%</u>

SOURCE: Current and prior year's financial statements

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

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

Year ended December 31, 2024

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General merchandise	\$ 7,335	\$ 6,760	\$ 6,775	\$ 8,368	\$ 8,323
Food stores	4,089	4,737	5,394	5,352	5,486
Eating and drinking establishments	2,568	2,810	2,808	3,458	3,724
Building materials/home improvements	2,774	21,410	3,347	4,414	4,348
Auto dealers/repairs/supplies	2,067	2,207	2,222	2,492	2,667
Utilities	2,399	2,591	2,695	2,667	2,686
All other categories	1,285	1,354	1,895	685	11,198
Total	<u>\$ 22,517</u>	<u>\$ 41,869</u>	<u>\$ 25,136</u>	<u>\$ 27,436</u>	<u>\$ 38,432</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>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
General merchandise	\$ 9,630	\$ 9,512	\$ 10,708	\$ 11,327	12,487
Food stores	3,849	4,389	4,925	5,468	5,635
Eating and drinking establishments	3,525	4,602	4,972	4,902	5,039
Building materials/home improvements	3,875	3,443	3,525	3,302	3,277
Auto dealers/repairs/supplies	2,882	2,840	3,161	2,936	2,715
Utilities	3,001	2,614	3,132	2,911	3,330
All other categories	11,670	11,032	8,009	7,839	9,380
Total	<u>\$ 38,432</u>	<u>\$ 38,432</u>	<u>\$ 38,432</u>	<u>\$ 38,684</u>	<u>\$ 41,863</u>
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>

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

NOTES

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

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	1.00%	1.00%	1.00%	1.00%	1.00%
Scientific and Cultural Facilities District (SCFD)	0.10%	0.10%	0.10%	0.10%	0.10%
Football Stadium District	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total direct and overlapping sales tax rates	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	1.00%	1.00%	1.00%	1.00%	1.00%
Scientific and Cultural Facilities District (SCFD)	0.10%	0.10%	0.10%	0.10%	0.10%
Football Stadium District	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total direct and overlapping sales tax rates	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>

SOURCE: State of Colorado Department of Revenue

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

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Top 10 filers	\$ 11,607	\$ 28,779	\$ 12,054	\$ 13,061	\$ 14,329
All Other filers	<u>10,910</u>	<u>13,090</u>	<u>13,082</u>	<u>14,375</u>	<u>15,438</u>
Total	<u>\$ 22,517</u>	<u>\$ 41,869</u>	<u>\$ 25,136</u>	<u>\$ 27,436</u>	<u>\$ 29,767</u>
Top 10 filers percent of total	51.5%	68.7%	48.0%	47.6%	48.1%
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>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Top 10 filers	\$ 16,335	\$ 16,156	\$ 17,538	\$ 17,990	\$ 19,032
All Other filers	<u>14,515</u>	<u>18,348</u>	<u>20,894</u>	<u>20,694</u>	<u>22,831</u>
Total	<u>\$ 30,850</u>	<u>\$ 34,504</u>	<u>\$ 38,432</u>	<u>\$ 38,684</u>	<u>\$ 41,863</u>
Top 10 filers percent of total	52.9%	46.8%	45.6%	46.5%	45.5%
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>

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

NOTES

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

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

	2015	2016	2017- restated	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
2020 Certificate of Participation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,195	\$ 18,465	\$ 17,570	\$ 16,640	\$ 15,670
2016 Certificate of Participation	-	6,124	5,701	5,341	4,974	4,596	4,207	3,806	3,393	2,967
2010 Certificate of Participation	26,320	25,515	24,685	23,936	22,940	-	-	-	-	-
Leases and Financed Purchases	-	-	1,608	1,392	1,172	947	718	483	1,566	1,321
Borrowing Premium	125	118	112	106	100	3,103	2,882	2,661	2,440	2,219
Total Governmental Activities	26,445	31,757	32,106	30,775	29,186	27,841	26,272	24,520	24,039	22,177
Business-type Activities										
2023 Direct Placement Loan	-	-	-	-	-	-	-	-	31,599	30,144
2022 Revenue Bonds	-	-	-	-	-	-	-	77,685	77,685	77,340
2016 Revenue Bonds	-	27,270	26,185	25,085	23,965	22,805	21,610	20,385	19,130	17,870
2016 Certificate of Participation	-	859	1,001	965	925	884	843	800	757	712
Water/Sewer Revenue Bonds	27,845	-	-	-	-	-	-	-	-	-
Borrowing Premium	715	1,249	1,189	1,129	1,069	1,009	948	4,575	4,264	4,209
Total Business-type Activities	28,560	29,378	28,375	27,179	25,959	24,698	23,401	103,445	133,435	130,275
Total Primary Government										
Certificate of Participation	26,320	32,498	31,387	30,242	28,839	24,675	23,515	22,176	20,790	19,349
Water/Sewer Revenue Bonds	27,845	27,270	26,185	25,085	23,965	22,805	21,610	98,070	96,815	95,210
Water/Sewer Loans	-	-	-	-	-	-	-	-	31,599	30,144
Leases	-	-	1,608	1,392	1,172	947	718	483	1,566	1,321
Borrowing Premium	840	1,367	1,301	1,235	1,169	4,112	3,830	7,236	6,704	6,428
Total primary government	\$ 55,005	\$ 61,135	\$ 60,481	\$ 57,954	\$ 55,145	\$ 52,539	\$ 49,673	\$ 127,965	\$ 157,474	\$ 152,452
Percentage of Per Capita Personal Income	4.14%	4.32%	3.84%	3.50%	3.11%	2.78%	2.42%	5.63%	5.96%	5.74%
Debt Per Capita	\$ 1.54	\$ 1.66	\$ 1.58	\$ 1.48	\$ 1.36	\$ 1.27	\$ 1.18	\$ 3.00	\$ 3.62	\$ 3.48

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

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

	2015	2016	2017	2018	2019
General obligation debt outstanding ¹	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to debt limit	-	-	-	-	-
Computation of maximum debt allowed:					
Actual value of property	3,223,343	4,243,434	4,234,952	4,334,016	4,613,073
Legal debt limit percentage	3%	3%	3%	3%	3%
Legal debt limit ²	96,700	127,303	127,049	130,020	138,392
Legal debt margin ³	96,700	127,303	127,049	130,020	138,392
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%
Population	35,671	36,912	38,192	39,211	40,584
Net general bonded debt per capita	0%	0%	0%	0%	0%
	2020	2021	2022	2023	2024
General obligation debt outstanding ¹	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to debt limit	-	-	-	-	-
Computation of maximum debt allowed:					
Actual value of property	5,067,387	5,709,158	6,845,865	8,007,768	8,016,314
Legal debt limit percentage	3%	3%	3%	3%	3%
Legal debt limit ²	152,022	171,275	205,376	240,233	240,489
Legal debt margin ³	152,022	171,275	205,376	240,233	240,489
Legal debt margin as a percentage of debt limit	100%	100%	100%	100%	100%
Population	41,468	42,143	42,623	43,518	43,789
Net general bonded debt per capita	0%	0%	0%	0%	0%

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

NOTES:

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

SCHEDULE 10 – DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES
DEBT (most recent 10 years)
Year ended December 31, 2024

Jurisdiction	Debt Outstanding Government Activities	Percentage Applicable to the City	Estimated Share of Overlapping Debt
<u>Direct Debt:</u>			
City of Brighton	<u>\$ 19,831,599</u>	100.0%	<u>\$ 19,831,599</u>
<u>Overlapping Debt:</u>			
Counties	127,055,577	6.6%	8,379,831
School Districts	896,755,246	29.0%	260,058,017
Special Districts	3,245,425,415	17.5%	566,455,485
Total Overlapping Debt	<u>4,269,236,238</u>		<u>834,893,332</u>
Total Direct and Overlapping Debt	<u>\$ 4,289,067,837</u>		<u>\$ 854,724,931</u>

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

Note:

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

SCHEDULE 11 – PLEDGED REVENUE COVERAGE
For Debt Outstanding as of December 31, 2024
(most recent 10 years, amounts expressed in thousands)

Water Activity Enterprise Obligations ¹							
Fiscal Year	Gross Water / Wastewater Revenues ²	Less: Operating Expenses ³	Net Available Revenue	Debt Service			Coverage Ratio ⁴
				Principal	Interest	Total	
2015	24,289	9,936	14,353	735	1,338	2,073	6.92
2016	25,024	11,636	13,388	930	1,319	2,249	5.95
2017	30,526	12,247	18,279	1,085	1,022	2,107	8.68
2018	32,227	13,277	18,950	1,100	989	2,089	9.07
2019	33,690	17,891	15,799	1,160	926	2,086	7.57
2020	35,958	21,441	14,517	1,201	881	2,081	6.98
2021	30,136	20,790	9,346	1,236	842	2,078	4.50
2022	42,264	26,114	16,150	1,267	2,761	4,028	4.01
2023	40,716	28,531	12,185	1,298	5,170	6,468	1.88
2024	57,913	20,737	37,176	3,105	6,039	9,144	4.07

SOURCE: Current and prior year's financial statements

NOTES:

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

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

Fiscal Year	Population (1)	Total Personal Income (thousands of dollars) (2)	Per Capita Personal Income (3)	Median Age (4)	School Enrollment (5)	Unemployment Rate (6)
2015	35,671	1,329,494	37,332	33	12,148	3.9%
2016	36,912	1,416,609	38,844	33	12,010	4.1%
2017	38,192	1,574,083	39,851	33	12,244	2.9%
2018	39,211	1,657,018	41,408	33	11,740	3.5%
2019	40,584	1,771,126	43,641	33	11,629	3.8%
2020	41,468	1,887,167	45,509	33	11,208	7.2%
2021	42,143	2,056,283	48,793	34	11,877	7.3%
2022	42,623	2,274,022	53,352	34	11,961	4.8%
2023	43,518	2,641,173	60,692	34	11,923	2.3%
2024	43,789	2,657,642	60,692	35	12,075	2.7%

SOURCES:

1. 2024 Population - ESRI Community Profile
2. Total Personal Income - Product of Per Capital Personal Income by Population
3. Per Capita Personal Income - US Bureau of Economic Analysis weighted average of Adams and Weld Counties figures for 2023
4. Median Age - ESRI Community Profile
5. School Enrollment - School Districts
6. Unemployment Rate - ESRI Community Profile

NOTES:

Per Capital Personal Income (3) for 2024 was not available at the time of issuance of this report, so the prior year number was reported.

**SCHEDULE 13 – PRINCIPAL EMPLOYERS
(2015 and 2024)**

	<u>2015</u>			<u>2024</u>		
	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>
Adams County	1,923	25%	1	1,920	26%	2
School District 27J	1,860	24%	2	2,313	31%	1
Vestas	1,300	17%	3	570	8%	5
Platte Valley Medical Center	626	8%	4	900	12%	3
City of Brighton	502	6%	5	612	8%	4
Baker Hughes	390	5%	6	-	0%	-
O'Neal Flat Rolled Metals	321	4%	7	-	0%	-
King Soopers	320	4%	8	-	0%	0
Walmart Supercenter	277	4%	9	353	5%	6
Transwest	270	3%	10	257	3%	7
Target				200	3%	8
Wells Precast				189	3%	9
United Power				164	2%	10
TOTAL	<u>7,789</u>	<u>100%</u>		<u>7,478</u>	<u>100%</u>	

SOURCE: Brighton Economic Development Corporation

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

Functions/Programs	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
General Government	63.1	71.0	72.0	74.9	80.6	73.8	78.5	80.5	81.7	78.7
Public Safety										
Officers	60.0	68.0	64.0	65.0	70.0	74.0	82.0	81.0	90.0	86.0
Civilians	26.0	26.0	28.0	29.0	29.0	32.3	32.5	31.5	27.8	33.5
Total Public Safety	86.0	94.0	92.0	94.0	99.0	106.3	114.5	112.5	117.8	119.5
Public Works	23.0	25.0	29.0	29.0	30.0	27.3	22.5	31.8	32.6	27.5
Parks and Recreation	40.3	39.0	41.0	40.0	41.5	41.5	45.0	47.5	50.0	46.0
Community Development	18.0	20.0	21.0	22.0	21.0	22.0	23.0	22.0	22.5	16.0
Cemetery	4.0	3.0	4.0	4.0	4.0	4.0	5.0	4.0	5.0	5.0
Total Governmental Activities	234.4	252.0	259.0	263.9	276.1	274.8	288.5	298.3	309.6	292.7
Business-Type Activities										
Water	25.2	28.0	32.0	34.0	35.0	34.8	34.7	31.0	29.7	34.6
Wastewater	21.5	25.0	28.0	28.0	28.0	27.8	20.7	18.0	12.0	11.5
Storm Drainage	2.3	3.0	4.0	4.0	4.0	4.0	3.1	3.0	5.3	5.3
Total Business-Type Activities	49.0	56.0	64.0	66.0	67.0	66.6	58.5	52.0	47.0	51.3
Component Units										
Urban Renewal Authority	4.0	6.0	4.0	-	-	2.0	2.0	2.0	2.0	2.0
Total Component Units	4.0	6.0	4.0	-	-	2.0	2.0	2.0	2.0	2.0
Total FTE Employees By Function/Program	287.4	314.0	327.0	329.9	343.1	343.4	349.0	352.3	358.6	346.0

SOURCE: City payroll/human resources records

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

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

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Calls for service	52,456	56,092	55,805	56,777	63,592	71,902	43,366	58,012	60,486	61,448
Arrests	2,620	2,791	2,240	1,961	1,951	1,685	1,875	1,782	2,197	2,313
Summons issued	5,044	5,463	4,680	4,824	4,341	5,406	4,494	3,641	5,829	6,719
Streets										
Street resurfacing (miles)	0	2	5	6	5	2	3	5	3	3
Street slurry seal (miles)	10	9	6	12	11	5	3	1	1	1
Street chip seal (miles)	0	0	5	8	6	2	3	0	0	0
Parks and Recreation										
Recreation Center admissions	191,190	172,617	192,605	178,072	169,755	50,504	73,577	99,251	118,696	144,409
Senior Center program participants	33,778	37,296	40,269	41,390	39,902	10,561	13,779	26,956	76,021	30,872
Senior Center services	10,733	11,075	14,491	17,476	15,956	15,635	14,751	12,042	29,684	13,291
Water										
Gallons pumped (millions)	1,755	1,858	1,978	1,932	1,918	2,405	2,170	2,243	1,891	2,329
Average daily consumption (million gallons)	5	5	5	5	5	6	6	6	5	6
Wastewater										
Gallons treated (millions) ¹	775	756	740	788	656	538	537	556	297	0
Cemetery										
Interments ²	115	149	170	109	118	162	209	200	175	196

SOURCE: Various City Departments

NOTES:

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

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

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	51	53	55	55	59	59	60	65	68	73
Streets										
Street Miles	154	159	161	162	160	160	160	164	169	169
Parks and Recreation										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Parks	47	47	48	43	43	43	43	45	45	45
Park acreage	300	300	303	241	307	307	307	355	355	355
Swimming pools	4	4	4	4	4	4	4	4	4	4
Tennis courts	8	8	8	8	8	8	8	8	8	8
Skateboard Park	2	2	2	2	2	2	2	2	2	2
Inline Hockey Rink	1	1	1	1	1	1	1	1	1	1
4-Plex Ball fields	2	2	2	2	2	2	2	2	2	2
Open Space (acres)	960	960	1,023	869	1,044	1,044	1,044	1,044	1,044	1,044
Trails (miles)	34	34	38	32	38	38	48	62	62	62
Water										
Treatment plant	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	195	227	225	235	237	242	247	267	319	270
Water customers	10,436	10,104	11,700	10,760	11,007	11,556	11,959	12,378	12,913	13,383
Storage capacity (million gallons)	17	17	17	17	17	17	17	19	19	19
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	146	146	169	180	180	182	187	191	196	190
Storm drainage										
Storm sewer (miles)	60	60	76	101	101	105	108	111	114	118
Cemeteries										
	2	2	2	2	2	2	2	2	2	2

SOURCE: Various City Departments

COMPLIANCE SECTION



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LOCAL HIGHWAY FINANCE REPORT



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LOCAL HIGHWAY FINANCE REPORT

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/24
This Information From The Records Of: CITY OF BRIGHTON	Prepared By: JESSICA HOLBROOK

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	
3. Other local imposts (from page 2)	\$ 6,346,786
4. Miscellaneous local receipts (from page 2)	\$ 1,336,798
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	\$ -
7. Total (1 through 6)	\$ 7,683,584
B. Private Contributions	\$ 6,864,285
C. Receipts from State government (from page 2)	\$ 1,703,318
D. Receipts from Federal Government (from page 2)	\$ -
E. Total receipts (A7 + B + C + D)	\$ 16,251,187

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	\$ 16,675,526
2. Maintenance:	\$ 3,974,340
3. Road and street services:	
a. Traffic control operations	\$ -
b. Snow and ice removal	\$ -
c. Other	
d. Total (a. through c.)	\$ -
4. General administration & miscellaneous	\$ 1,273,056
5. Highway law enforcement and safety	\$ 1,399,592
6. Total (1 through 5)	\$ 23,322,514
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	\$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	\$ -
3. Total (1.c + 2.c)	\$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A6 + B.3 + C + D)	\$ 23,322,514

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

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

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 2,296,119	\$ 16,251,187	\$ 23,322,514	\$ (4,775,208)	\$ -

Notes and Comments:

COMPLIANCE SECTION

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/24	

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A3. Other local imposts:		A4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	\$ 434,890
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 226,157
1. Sales Taxes	\$ 2,235,876	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 3,758,058	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	\$ 352,852	f. Charges for Services	\$ 18,946
5. Specific Ownership &/or Other		g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 6,346,786	h. Other	\$ 656,805
c. Total (a. + b.)	\$ 6,346,786	i. Total (a. through h.)	\$ 1,336,798
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 1,437,435	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	\$ 133,880	d. Federal Transit Administration	
d. DOLA Grant	\$ 132,003	e. U.S. Corps of Engineers	
e. Other		f. Other Federal ARPA	
f. Total (a. through e.)	\$ 265,883	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 1,703,318	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements		\$ 11,455,235	\$ 11,455,235
(3). System Preservation		\$ 3,786,872	\$ 3,786,872
(4). System Enhancement And Operation		\$ 1,433,419	\$ 1,433,419
(5). Total Construction (1)+(2)+(3)+(4)		\$ 16,675,526	\$ 16,675,526
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)		\$ 16,675,526	\$ 16,675,526
(Carry forward to page 1)			
Notes and Comments:			

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