

Comprehensive Annual Financial Report

For the year ended December 31, 2019

2019



BrightonSM

CITY OF BRIGHTON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019

Prepared By the Finance Department

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**CITY OF BRIGHTON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2019**

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Introductory Section



May 1, 2020

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

We submit, for your information and review, the Comprehensive Annual Financial Report (CAFR) for the City of Brighton, Colorado (the City), for the year ended December 31, 2019. This report consists of management's representations concerning the finances of the City of Brighton. Consequently, management assumes responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. To the best of our knowledge and belief, the enclosed information is reported in a manner designed to present fairly the financial position and activities of the various funds of the City. The City has included all disclosures necessary to enable the reader to gain an understanding of the City's financial activities.

The City charter and state law require an audit by independent certified public accountants selected by the City Council. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City for the fiscal year ended December 31, 2019 are free of material misstatements. The City's financial statements have been audited by Haynie & Company, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit evidence obtained, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the year ended December 31, 2019, are fairly presented in conformity with accounting principles generally accepted in the United States of America (US GAAP). The independent auditor's report is presented as the first component of the financial section of this report.

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

PROFILE OF THE CITY OF BRIGHTON

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

anchors the City's small town identity and its original neighborhoods. The City currently occupies 21 square miles and serves a population of approximately 40,584.

The completion of E-470 from I-76 to I-25 linked Brighton both to I-25 and the southern Denver business area and technical center. The link advanced the "Brighton Corridor" for improved access to the entire Denver Metropolitan area. Brighton has excellent transportation access including being located only 16 miles from Denver International Airport, and is served by two rail lines, State Highway 85 and Interstate 76. Coast-to-coast truck routes are available utilizing I-76 with its connections to I-70 and using Highway 85 to link to I-80.

Brighton is empowered to levy sales, use, and lodging taxes within its boundaries. In 2019, the mill levy for property tax remained at 6.65 mills upon each dollar of the total valuation of assessment for all taxable property within the City. The 2019 property taxes collected were based on the net assessed valuation for the City of Brighton, as certified by the Adams and Weld County Assessors, which was \$387,655,220 and \$20,215,646 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 financial statements, schedules and statistical tables contained in this report include all funds under the control of the City Council including component units. For the year 2019, the City Council was responsible for passing resolutions, adopting the annual budget and appropriations resolutions, appointing advisory board and commission members, and hiring the City Manager, City Attorney, Municipal Judge, and Liquor Hearing Officer. 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.

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

Brighton is financially accountable for a legally separate urban renewal authority and a legally separate cultural arts commission, both of which are reported as discretely presented component units within the City of Brighton's financial statements. Additional information on these legally separate entities can be found in the notes to the financial statements.

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

expenditures, and other financing uses. This annual budget serves as the foundation for the City of Brighton's financial planning and control. The entire budget document is posted at www.brightonco.gov.

MAJOR INITIATIVES - In 2019 the City made significant progress on its Strategic Plan initiatives as follows:

- Promoting **financial responsibility** was a top priority for 2019. City Council engaged a utility rate consultant and based on recommendations from the consultant, reduced water and wastewater rates for customers by eight percent starting in 2020.
- To facilitate **supportive, sustainable, infrastructure**, City Council adopted the largest street maintenance package in the history of the City which addressed 21 lane miles including resurfacing, crack repairs, and sealing. Additionally, the City began rehabilitating its 8.3M gallon water storage tank to extend its life by 30 years. The new Erger's Pond Augmentation Station enhanced the City's water transfer capabilities and won an award for the positive environmental impact it will have on the Platte River.
- Expanding the City's **facilities, amenities, and open space**, construction on the Colorado Front Range trail was completed after nearly two decades. It is now the longest trail in the City and will allow residents to bike through Denver to the Chatfield Reservoir.
- Council also made **a safe, active, engaged community** a priority. Six new patrol officers were added to the Police Department, allowing them to return to prior levels of service and increase training. A new Youth Service Officers program was also introduced. During the summer, School Resource Officers work on foot or bike in the neighborhoods that feed their schools. This allows them to connect and build relationships with at-risk youth year-round.
- As part of its initiative to develop **strong local employment opportunities**, the City broke ground on the 76 Commerce Center an 1.8M square-foot industrial park, and welcomed Wells Concrete into the business community bringing 240 new jobs to the City in 2019 with more expected in 2020.
- The City also adopted a new Land Use Code in 2019. This update included over 120 changes to the existing code, and helps to promote a **recognizable and well-planned community**.
- To address **strong regional relationships and partnerships**, the City overhauled its Lodging Tax grants program. The City now commits 40 percent of funds to the Brighton Cultural Arts Commission, 40 percent to the Brighton Economic Development Corporation, and 20 percent to other community organizations annually. This provides organizations with more stable funding and the ability to develop long-term projects.
- Finally, the City introduced See Click Fix as a means of increasing customer service and promoting an **innovative, data-driven, results-focused government**. Residents can now download the app or go online to report potholes, code enforcement issues, and other maintenance concerns.

LOCAL ECONOMY

The City of Brighton's economic indicators showed steady growth throughout the year. The unemployment rate in 2019 was 3.8% and population increased 1,373 to 40,584. The City issued 500 residential permits in 2019 compared with 265 in 2018, an 88.7% increase. Sales, use and other tax collections increased \$3.5 million in 2019, a 10.1% increase over 2018.

As with most Colorado Front Range communities, water availability is a major component of economic growth in Brighton. To ensure that adequate water supplies are available, the City continues to manage its resources through water conservation and acquisition.

FOR THE FUTURE

Overall, economic conditions of the Denver metropolitan area remain strong. The City of Brighton is well positioned to benefit from new retail, residential, and industrial growth due to its proximity to Denver International Airport, Downtown Denver, higher education facilities, great recreational opportunities and the Niobrara shale region of northeast Colorado.

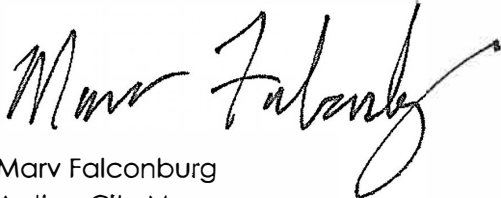
Brighton City Council has continued its commitment to expanding both the employment base and range of retail opportunities by funding and working in cooperation with the Brighton Economic Development Corporation (BEDC), Brighton Urban Renewal Authority (BURA), Brighton Housing Authority (BHA), Adams County Economic Development (ACED) and Upstate Colorado Economic Development.

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 comprehensive annual financial report (CAFR) for the year ended December 31, 2018. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized CAFR. 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 only. We believe that our current CAFR 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 2019 Comprehensive Annual 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 unfailing support to maintain the highest standards of professionalism and in the development of effective policies relating to the City's Finances.

Respectfully submitted,



Marv Falconburg
Acting City Manager



Maria Ostrom, CPA
Finance Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Brighton
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2018

Christopher P. Morill

Executive Director/CEO

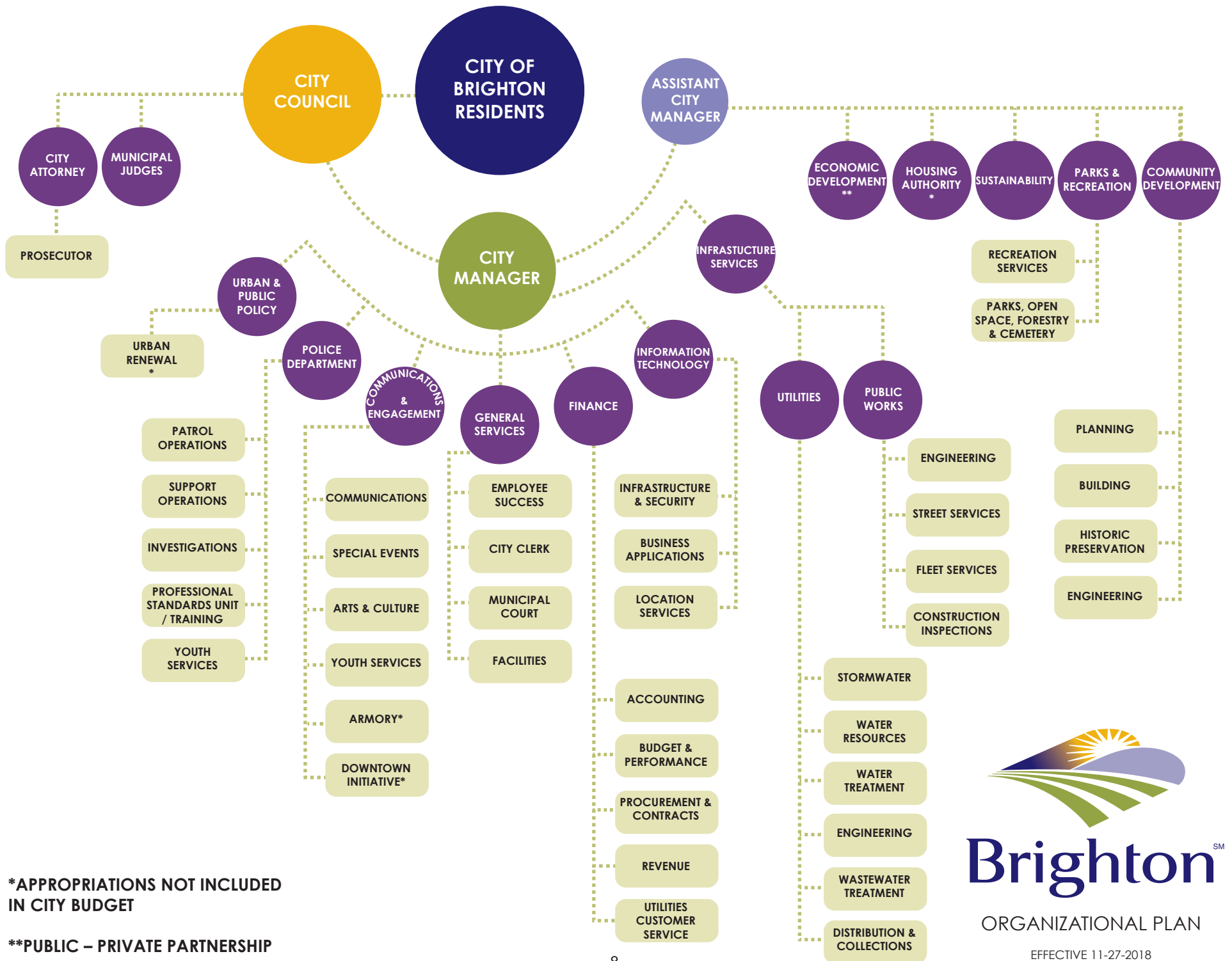
CITY OF BRIGHTON, COLORADO
CITY OFFICIALS
DECEMBER 31, 2019

Mayor and City Council

Mayor	Gregory Mills
Council Members:	
Mayor Pro Tem (Ward 1)	Mathew Johnston
Ward 1	Tim Watts
Ward 2	Mary Ellen Pollack
Ward 2	Vacant
Ward 3	Clint Blackhurst
Ward 3	Kris Jordinelli
Ward 4	Adam Cushing
Ward 4	Mark Humbert

Administrative

Acting City Manager	Marv Falconburg
City Attorney	Jack Bajorek
Presiding Municipal Judge	Kristin Brown
Police Chief	Paul Southard
Parks and Recreation Director	Travis Haines
Infrastructure Director	Michael Woodruff
Community Development Director	Holly Prather
Economic Development Director	Michael Martinez
Finance Director	Maria Ostrom
Administrative Services Director	Karen Borkowski-Surine
Information Technology and Innovation Director	David Guo
Public Information & Community Resources Director	Kristen Chernosky
City Clerk	Natalie Hoel



*APPROPRIATIONS NOT INCLUDED
IN CITY BUDGET

**PUBLIC – PRIVATE PARTNERSHIP

Financial Section

To the City Council
City of Brighton, Colorado

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado (the "City"), as of and for the year ended December 31, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado, as of December 31, 2019, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

As described in Note 9 to the financial statements, certain transactions related to capital assets were recorded incorrectly in a prior year. As a result, beginning net position has been restated to correct presentation of this balance in the prior year.

Other Matters

Required Supplementary Information

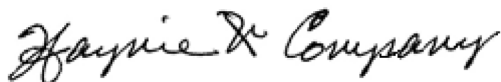
Accounting principles generally accepted in the United States of America require that the management's discussion and pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements,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

Other Information

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

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

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

A handwritten signature in cursive script that reads "Haynie & Company".

Littleton, Colorado
April 24, 2020

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Management's Discussion & Analysis

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CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

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, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal at the front of this report, and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2019 by \$369.2 million (net position). Of this amount, \$65.7 million is unrestricted in the governmental activities and may be used to meet the City's ongoing obligations.
- Citywide net position increased \$25.5 million (7.4%) in 2019. The governmental net position increased by \$16.3 million (9.7%) and the business-type net position increased by \$9.2 million (5.2%).
- The General Fund, the City's primary operating fund, ended 2019 with a \$34.3 million fund balance. Approximately 52.8% of this amount (\$18.1 million) is available for spending at the government's discretion (assigned and unassigned fund balance).
- The City's governmental activities show revenues of \$71.2 million, an increase of \$11.4 million (19.0%) over the prior year. Primary revenue sources are sales, use and other taxes of \$39.0 million (a \$3.5 million increase over 2018), charges for services \$10.3 million (a \$2.9 million increase over 2018), and operating and capital grants of \$12.9 million (a \$2.5 million increase over 2018).
- Citywide governmental activities expenses were \$54.3 million, an increase of \$6.5 million in comparison with 2018. This increase is primarily related to a \$4.9 million increase in general government expenses.
- The City's business-type activities show revenues of \$36.3 million, an increase of \$1.3 million from 2018. The largest revenue source is charges for services (\$22.1 million) followed by capital grants and contributions \$12.0 million). The business-type expenses were \$27.7 million, an increase of \$4.8 million in comparison with 2018.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

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

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

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

The government-wide financial statements are on pages 26 and 27 of this report.

The government-wide financial statements include not only the City of Brighton itself (known as the primary government), but also two separate legal entities: 1) The Brighton Urban Renewal Authority (BURA) and 2) The Brighton Cultural Arts Commission (BCAC) for which the City of Brighton is financially accountable. Financial information for these component units is reported separately from the financial information for the primary government itself, combining statements for the component units are on pages 35 and 36 of this report.

Fund Financial Statements

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

Governmental Funds

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

Since the focus of the governmental funds is on near-term resources, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. To facilitate this

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

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 31.

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 and Capital Improvement Fund. These two funds are considered to be major funds. Data from the other governmental funds is combined into a single, aggregated presentation. These eight non-major funds are: Landscaping, Lottery Reserve, Cemetery, Highway, Lodging Tax, Impact Fees, Cemetery Perpetual Care, and Parks and Recreation Capital.

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

The basic governmental funds financial statements start on page 28 of this report.

Proprietary Funds

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

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The Water, Waste Water and Storm Drainage funds are considered to be major funds and, therefore, are presented separately within the *proprietary funds statement of net position, proprietary funds statement of revenues, expenses and changes in fund net position, and proprietary funds statement of cash flows* financial statements.

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

The basic proprietary funds financial statements start on page 32 of this report.

Notes to the Basic Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information. The combining statements referred to earlier in connection with non-major governmental funds and proprietary funds are presented immediately following

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

the basic financial statements. Combining statements and budgetary schedules can be found on pages 68-90 of this report. The *local highway finance* report can be found on pages 112-113 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The City of Brighton's assets exceed liabilities and deferred inflows of resources by \$369.2 million at the close of the most recent fiscal year.

The City of Brighton uses its capital assets to provide services to the citizens. At the end of 2019, the investment in capital assets of \$272.6 million (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets of \$55.2 million, amounts to \$217.4 million, or 58.9% of the City's total net position of \$369.2 million. During the current fiscal year, the City's net position increased by \$25.5 million. In the governmental activities, revenues exceeded expenses by 131.1% and in the business-type activities, revenues exceeded expenses by 131.0%. Table 1 reflects the condensed *statement of net position*.

Governmental Activities Analysis

Governmental activities increased the City's net position by \$16.3 million, accounting for 63.9% of the City's \$25.5 million overall increase in net position. The following factors contributed to this increase (see Table 2):

- Sales, use and other taxes increased \$3.5 million due to a sustained increase in commercial development around the City and an increase vendors reporting online sales.
- Oil and gas revenue increased \$1.0 million primarily related to one-time bonus payments.
- Insurance recoveries increased \$0.6 million due to payments for hail damage claims from a prior year.
- Investment earnings increased \$0.7 million due to market increases in the City's fixed income portfolio.

Business-Type Activities Analysis

Business-Type activities increased the City's net position by \$9.2 million, accounting for 36.3% of the City's \$25.5 million increase in net position. Below is information regarding business-type activities (see Table 2):

- Water expenses increased 21.1% (\$3.1 million), primarily related to an increase in the cost of purchased services, \$1.9 million, and an increase in depreciation expense, \$0.7 million.
- Waste Water expenses increased 16.8% (\$1.1 million), primarily related to an increase in the cost of purchased services, \$0.6 million.
- Storm Drainage expenses increased 32.9% (\$0.6 million), primarily related to an increase in developer reimbursements, \$0.3 million, and an increase in the cost of purchased services, \$0.2 million.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

Table 1
Net Position
As of December 31,

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018-restated	2019	2018-restated
Current and Other Assets	\$ 92,830,151	\$ 79,170,630	\$ 74,333,163	\$ 65,959,695	\$ 167,163,314	\$ 145,130,325
Capital Assets	131,644,361	129,872,059	140,924,617	141,834,416	272,568,978	271,706,475
Total Assets	224,474,512	209,042,689	215,257,780	207,794,111	439,732,292	416,836,800
Deferred Outflow of Resources	3,610,968	1,560,804	-	-	3,610,968	1,560,804
Long-term Liabilities	32,346,292	29,640,756	26,195,139	26,027,165	58,541,431	55,667,921
Other Liabilities	7,660,794	9,612,924	4,287,741	6,202,028	11,948,535	15,814,952
Total Liabilities	40,007,086	39,253,680	30,482,880	32,229,193	70,489,966	71,482,873
Deferred Inflows of Resources	3,657,301	3,208,680	-	-	3,657,301	3,208,680
Net Position:						
Net Investment in capital assets	102,395,893	98,818,947	114,965,831	113,913,519	217,361,724	212,732,466
Restricted	16,325,276	25,486,102	154,752	190,184	16,480,028	25,676,286
Unrestricted	65,699,924	43,836,084	69,654,317	61,461,215	135,354,241	105,297,299
Total Net Position	<u>\$ 184,421,093</u>	<u>\$ 168,141,133</u>	<u>\$ 184,774,900</u>	<u>\$ 175,564,918</u>	<u>\$ 369,195,993</u>	<u>\$ 343,706,051</u>

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

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

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018-restated	2019	2018-restated
Revenues						
Program Revenues						
Charges for Services	\$ 10,261,019	\$ 7,386,586	\$ 22,051,453	\$ 22,804,156	\$ 32,312,472	\$ 30,190,742
Operating Grants and Contributions	3,425,423	2,711,965	115,488	106,768	3,540,911	2,818,733
Capital Grants and Contributions	9,518,636	7,729,987	11,902,754	10,730,244	21,421,390	18,460,231
General Revenues						
Sales, Use and Other Taxes	38,960,588	35,420,547	-	-	38,960,588	35,420,547
Property Taxes	2,713,072	2,663,482	-	-	2,713,072	2,663,482
Investment Earnings	1,914,007	1,165,987	1,682,642	930,729	3,596,649	2,096,716
Sales of Capital Assets	33,400	-	41,688	-	75,088	-
Miscellaneous	4,387,304	2,772,906	528,360	434,810	4,915,664	3,207,716
Total Revenues	71,213,449	59,851,460	36,322,385	35,006,707	107,535,834	94,858,167
Expenses						
General Government	16,250,939	11,337,021	-	-	16,250,939	11,337,021
Public Safety	12,866,037	11,361,832	-	-	12,866,037	11,361,832
Streets & Fleet	11,546,566	10,275,383	-	-	11,546,566	10,275,383
Parks and Recreation	9,079,602	9,457,794	-	-	9,079,602	9,457,794
Cemetery	505,902	580,576	-	-	505,902	580,576
Community Development	2,415,958	3,107,371	-	-	2,415,958	3,107,371
Interest on Long-term Debt	1,660,985	1,709,941	-	-	1,660,985	1,709,941
Water Operations	-	-	17,858,303	14,750,402	17,858,303	14,750,402
Waste Water Operations	-	-	7,592,090	6,501,111	7,592,090	6,501,111
Storm Drainage Operations	-	-	2,269,510	1,707,577	2,269,510	1,707,577
Total Expenses	54,325,989	47,829,918	27,719,903	22,959,090	82,045,892	70,789,008
Increase in Net Position Before Transfers	16,887,460	12,021,542	8,602,482	12,047,617	25,489,942	24,069,159
Transfers	(607,500)	-	607,500	-	-	-
Net Position--January 1, restated	168,141,133	156,119,591	175,564,918	163,517,301	343,706,051	319,636,892
Net Position--December 31	\$ 184,421,093	\$ 168,141,133	\$ 184,774,900	\$ 175,564,918	\$ 369,195,993	\$ 343,706,051

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

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.

At December 31, 2019, the total Governmental fund balances were \$76.1 million, an increase of \$12.7 million compared to the prior year. Fund Balances categories and amounts are: non-spendable fund balances \$0.2 million, restricted fund balances \$3.2 million, committed fund balances \$29.8 million, assigned fund balances \$24.8 million, and unassigned fund balances \$18.1 million.

The *General Fund* is the main operating fund of the City. At December 31, 2019, the total fund balance was \$34.3 million, which was an increase of \$9.1 million from 2018. Tax revenue of \$41.7 million was 58.5% of the total General Fund revenue and increased \$2.6 million (9.1%) over the prior year.

General Fund expenditures increased \$0.8 million (2.2%), primarily due to an increase in personnel costs.

The Capital Improvement Fund revenues increased \$0.6 million (7.9%) over 2018, due to an increase in sales tax. Capital project expenditures increased \$1.7 million from 2018 due to an increase in street repair and maintenance (\$0.8 million) and capital outlay (\$0.7 million). Fund balance in the Capital Improvement Fund decreased \$0.6 million as anticipated due to planned use of fund balance for various on-going projects.

Proprietary Funds

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

The net position of the enterprise funds increased \$9.2 million from 2018 and ended the year with a combined net position of \$184.8 million. The combined unrestricted net position is \$69.8 million at year-end, which includes collections of plant investment fees for future appropriation of capital outlay due to growth requirements of the system.

GENERAL FUND BUDGETARY HIGHLIGHTS

General Fund revenues totaled \$47.0 million, an increase of \$6.3 million over 2018. This represents a positive variance from budget of \$11.7 million. The revenue variance was primarily due to higher than projected revenues from sales and use taxes (an additional \$4.7 million). Miscellaneous revenues had a positive revenue variance of \$2.1 million, due to one-time bonus payments from oil and gas.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019

General Fund expenditures totaled \$36.1 million, an increase of \$0.8 million from 2018. The variance between actual expenditures and the final budget amounted to approximately \$0.4 million in unspent appropriations. Professional services and utilities costs were less than anticipated.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities amount to \$272.6 million (net of accumulated depreciation) at December 31, 2019. This was an increase of \$0.9 million from 2018. 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. 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.

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018-restated	2019	2018-restated
Land	\$ 26,363,103	\$ 26,292,627	\$ 9,513,128	\$ 9,513,128	\$ 35,876,231	\$ 35,805,755
Water Rights	2,036,050	2,036,050	22,204,328	22,135,448	24,240,378	24,171,498
Construction in Progress	3,826,082	8,378,718	3,626,314	10,664,286	7,452,396	19,043,004
Buildings and Improvements	36,272,863	35,495,731	13,073,856	14,029,326	49,346,719	49,525,057
Infrastructure	54,336,181	49,679,862	89,528,744	82,295,963	143,864,925	131,975,825
Machinery and Equipment	8,518,417	7,676,030	2,970,274	3,186,256	11,488,691	10,862,286
Other Assets	291,665	313,041	7,973	10,009	299,638	323,050
Total Capital Assets	<u>\$ 131,644,361</u>	<u>\$ 129,872,059</u>	<u>\$ 140,924,617</u>	<u>\$ 141,834,416</u>	<u>\$ 272,568,978</u>	<u>\$ 271,706,475</u>

Additional detailed information on the City's Capital Assets can be found in footnote 4, starting on page 48 of this report.

Long-term Debt

As of December 31, 2019, the City had total debt outstanding of \$55.1 million (bonds and certificates of participation). This was a decrease of \$2.7 million. The 2017 capital lease funded six heavy duty snowplow trucks. COPs issued in 2016 funded energy performance capital projects in the City. Of this long-term debt amount \$24.0 million represents bonds secured by specified revenue sources (i.e. revenue bonds) for water and waste water projects. \$22.9 million represents debt primarily secured by the new facilities being financed by 2010 certificates of participation.

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2019**

Table 4
Outstanding Debt
As of December 31,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2019	2018	2019	2018	2019	2018
2016 Revenue Bonds	\$ -	\$ -	\$ 23,965,000	\$ 25,085,000	\$ 23,965,000	\$ 25,085,000
Bond Premium	-	-	1,068,785	1,128,998	1,068,785	1,128,998
2010 Certificates of Participati	22,940,000	23,830,000	-	-	22,940,000	23,830,000
2010 COP Premium	99,578	105,834	-	-	99,578	105,834
2016 Certificates of Participati	4,974,080	5,340,780	925,001	964,564	5,899,081	6,305,344
2017 Capital Lease	1,172,051	1,392,192	-	-	1,172,051	1,392,192
Total Outstanding Debt	<u>\$ 29,185,709</u>	<u>\$ 30,668,806</u>	<u>\$ 25,958,786</u>	<u>\$ 27,178,562</u>	<u>\$ 55,144,495</u>	<u>\$ 57,847,368</u>

Additional detail information on the City's long-term obligations can be found in footnote 6, starting on page 51 of this report

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 telephone 303-655-2000.

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Basic Financial Statements

CITY OF BRIGHTON, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash and Investments	\$ 79,075,139	\$ 71,285,115	\$ 150,360,254	\$ 3,598,199
Restricted Cash and Investments	813,800	154,752	968,552	2,244,727
Accounts Receivable	1,619,720	2,787,537	4,407,257	-
Taxes Receivable	8,494,481	-	8,494,481	5,372,431
Grants Receivable	65,924	-	65,924	-
Inventories	53,600	105,759	159,359	-
Prepays	197,487	-	197,487	-
Notes Receivable	2,510,000	-	2,510,000	-
Land Held for Sale	-	-	-	1,625,000
Capital Assets, Not Being Depreciated	32,225,235	35,343,770	67,569,005	-
Capital Assets, Net of Accumulated Depreciation	99,419,126	105,580,847	204,999,973	3,616,310
Total Assets	<u>224,474,512</u>	<u>215,257,780</u>	<u>439,732,292</u>	<u>16,456,667</u>
DEFERRED OUTFLOW OF RESOURCES				
Deferred Charge on Refunding Items Related to Pension Plan	12,984	-	12,984	186,389
	3,597,984	-	3,597,984	-
	<u>3,610,968</u>	<u>-</u>	<u>3,610,968</u>	<u>186,389</u>
LIABILITIES				
Accounts Payable	3,365,374	2,188,361	5,553,735	18,560
Sales Tax Rebate Payable	-	-	-	889,661
Retainage Payable	62,759	-	62,759	-
Accrued Wages Payable	247,435	40,973	288,408	1,214
Accrued Interest Payable	153,648	82,358	236,006	69,827
Accrued Liabilities	555,652	-	555,652	1,263,717
Deposits and Escrows	3,275,926	1,976,049	5,251,975	500
Noncurrent Liabilities				
Debt Due Within One Year	3,413,679	1,436,883	4,850,562	809,312
Debt Due In More Than One Year	27,922,445	24,758,256	52,680,701	9,969,771
Net Pension Liability	1,010,168	-	1,010,168	-
Total Liabilities	<u>40,007,086</u>	<u>30,482,880</u>	<u>70,489,966</u>	<u>13,022,562</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue--Property Taxes Items Related to Pension Plan	3,646,509	-	3,646,509	5,372,431
	10,792	-	10,792	-
Total Deferred Inflows of Resources	<u>3,657,301</u>	<u>-</u>	<u>3,657,301</u>	<u>5,372,431</u>
NET POSITION				
Net Investment in Capital Assets	102,395,893	114,965,831	217,361,724	3,616,310
Restricted For				
Emergencies - TABOR	1,538,992	-	1,538,992	-
Debt	-	154,752	154,752	1,000,009
Capital Outlay	10,307,416	-	10,307,416	-
Other Purposes	4,478,868	-	4,478,868	1,244,718
Unrestricted	65,699,924	69,654,317	135,354,241	(6,811,027)
Total Net Position	<u>\$ 184,421,093</u>	<u>\$ 184,774,900</u>	<u>\$ 369,195,993</u>	<u>\$ (949,990)</u>

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

CITY OF BRIGHTON, COLORADO
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
		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	\$ 16,250,939	\$ 3,045,754	\$ 436,676	\$ -	\$ (12,768,509)	\$ -	\$ (12,768,509)	\$ -
Public Safety	12,866,037	731,291	1,177,558	1,594,093	(9,363,095)	-	(9,363,095)	-
Streets & Fleet	11,546,566	1,703,647	1,800,153	7,924,543	(118,223)	-	(118,223)	-
Parks and Recreation	9,079,602	1,338,291	-	-	(7,741,311)	-	(7,741,311)	-
Cemetery	505,902	317,060	-	-	(188,842)	-	(188,842)	-
Community Development	2,415,958	3,124,976	11,036	-	720,054	-	720,054	-
Interest on Long-Term Debt	1,660,985	-	-	-	(1,660,985)	-	(1,660,985)	-
Total Governmental Activities	54,325,989	10,261,019	3,425,423	9,518,636	(31,120,911)	-	(31,120,911)	-
Business-Type Activities								
Water	17,858,303	13,030,420	115,488	8,690,198	-	3,977,803	3,977,803	-
Waste Water	7,592,090	8,158,824	-	1,093,102	-	1,659,836	1,659,836	-
Storm Drainage	2,269,510	862,209	-	2,119,454	-	712,153	712,153	-
Total Business-Type Activities	27,719,903	22,051,453	115,488	11,902,754	-	6,349,792	6,349,792	-
Total Primary Government	82,045,892	32,312,472	3,540,911	21,421,390	(31,120,911)	6,349,792	(24,771,119)	-
COMPONENT UNITS								
Brighton Urban Renewal Authority	4,926,005	87,301	80,000	-	-	-	-	(4,758,704)
Brighton Cultural Arts Commission	188,909	470	190,387	-	-	-	-	1,948
Total Component Units	\$ 5,114,914	\$ 87,771	\$ 270,387	\$ -	-	-	-	(4,756,756)
GENERAL REVENUES								
Taxes					41,673,660	-	41,673,660	5,604,182
Investment Earnings					1,914,007	1,682,642	3,596,649	181,629
Miscellaneous					4,387,304	528,360	4,915,664	1,508
Sale of Capital Assets					33,400	41,688	75,088	-
Transfers					(607,500)	607,500	-	-
Total General Revenues					47,400,871	2,860,190	50,261,061	5,787,319
Change in Net Position					16,279,960	9,209,982	25,489,942	1,030,563
Net Position--January 1, restated					168,141,133	175,564,918	343,706,051	(1,980,553)
Net Position--December 31					\$ 184,421,093	\$ 184,774,900	\$ 369,195,993	\$ (949,990)

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2019

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Investments	\$ 32,882,454	\$ 15,453,933	\$ 27,545,467	\$ 75,881,854
Restricted Cash and Investments	-	663,056	63,520	726,576
Accounts Receivable	1,601,449	-	16,152	1,617,601
Taxes Receivable	6,548,306	1,035,117	911,058	8,494,481
Grants Receivable	65,326	598	-	65,924
Prepays	197,487	-	-	197,487
Total Assets	<u>\$ 41,295,022</u>	<u>\$ 17,152,704</u>	<u>\$ 28,536,197</u>	<u>\$ 86,983,923</u>
LIABILITIES				
Accounts Payable	\$ 1,242,201	\$ 1,069,960	\$ 1,031,540	\$ 3,343,701
Retainage Payable	-	61,759	1,000	62,759
Accrued Wages Payable	242,228	-	1,638	243,866
Accrued Liabilities	290,557	-	-	290,557
Deposits and Escrows	1,593,487	847,514	834,925	3,275,926
Total Liabilities	<u>3,368,473</u>	<u>1,979,233</u>	<u>1,869,103</u>	<u>7,216,809</u>
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue-Property Taxes	3,646,509	-	-	3,646,509
Total Deferred Inflows of Resources	<u>3,646,509</u>	<u>-</u>	<u>-</u>	<u>3,646,509</u>
FUND BALANCES				
Nonspendable	197,487	-	-	197,487
Restricted	1,579,401	442,721	1,212,930	3,235,052
Committed	14,401,609	2,322,598	13,090,224	29,814,431
Assigned	-	12,408,152	12,363,940	24,772,092
Unassigned	18,101,543	-	-	18,101,543
Total Fund Balances	<u>34,280,040</u>	<u>15,173,471</u>	<u>26,667,094</u>	<u>76,120,605</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 41,295,022</u>	<u>\$ 17,152,704</u>	<u>\$ 28,536,197</u>	<u>\$ 86,983,923</u>

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

CITY OF BRIGHTON, COLORADO
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2019

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

Total fund balances - governmental funds		\$ 76,120,605
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Cost of capital assets	247,443,560	
Less: accumulated depreciation	<u>(115,799,199)</u>	131,644,361
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in the fund statements.		
Note Receivable		2,510,000
Governmental funds report the effect of deferred charges on refunding debt when it is first issued, whereas these amounts are amortized over the life of the bonds in the government wide financial statements		
		12,984
Deferred outflows and inflows of resources related to pension plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Items Related to Pension Plan-Outflow		3,597,984
Items Related to Pension Plan-Inflow		(10,792)
Long-term liabilities, including bonds payable and capital leases, are not due in the current period and, therefore, are not reported as liabilities in the governmental funds.		
Net pension liability	(1,010,168)	
Long-term debt net of premium	(29,185,709)	
Accrued interest on long-term debt	<u>(153,648)</u>	(30,349,525)
Accrued compensated absences are not due from current financial resources and, therefore, are not reported in the governmental funds.		
		(2,150,415)
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.		
		3,045,891
Net position--governmental activities		<u>\$ 184,421,093</u>

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES				
Taxes	\$ 31,165,102	\$ 5,890,736	\$ 4,617,822	\$ 41,673,660
Licenses and Permits	2,359,441	-	-	2,359,441
Grants and Intergovernmental	3,475,931	1,594,093	1,997,395	7,067,419
Charges for Services	5,381,579	-	2,020,707	7,402,286
Fines and Forfeitures	499,292	-	-	499,292
Investment Earnings	789,229	444,537	651,642	1,885,408
Miscellaneous	3,376,575	255,487	118,514	3,750,576
Total Revenues	<u>47,047,149</u>	<u>8,184,853</u>	<u>9,406,080</u>	<u>64,638,082</u>
EXPENDITURES				
Current				
General Government	11,108,326	3,073,171	1,004,910	15,186,407
Public Safety	12,507,454	617,413	-	13,124,867
Streets and Fleet	3,310,929	4,668,689	119,541	8,099,159
Parks and Recreation	6,765,751	52,826	2,591,262	9,409,839
Cemetery	-	52,102	486,481	538,583
Community Development	2,424,221	-	-	2,424,221
Debt Service				
Principal	-	1,327,692	149,148	1,476,840
Interest and Fees	-	600,768	1,040,565	1,641,333
Total Expenditures	<u>36,116,681</u>	<u>10,392,661</u>	<u>5,391,907</u>	<u>51,901,249</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>10,930,468</u>	<u>(2,207,808)</u>	<u>4,014,173</u>	<u>12,736,833</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	6,000	1,601,000	1,251,850	2,858,850
Transfers Out	(2,500,925)	-	(965,425)	(3,466,350)
Insurance Recoveries	636,728	-	-	636,728
Total Other Financing Sources (Uses)	<u>(1,858,197)</u>	<u>1,601,000</u>	<u>286,425</u>	<u>29,228</u>
Net Change in Fund Balances	9,072,271	(606,808)	4,300,598	12,766,061
Fund Balances--January 1	<u>25,207,769</u>	<u>15,780,279</u>	<u>22,366,496</u>	<u>63,354,544</u>
Fund Balances--December 31	<u>\$ 34,280,040</u>	<u>\$ 15,173,471</u>	<u>\$ 26,667,094</u>	<u>\$ 76,120,605</u>

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

CITY OF BRIGHTON, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND
BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2019

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

Net change in fund balances--total governmental funds		\$ 12,766,061
The internal service funds' activity is allocated to business type activities in the fund statements, however, is included in the governmental activities on the statement of activities.		333,940
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay--capitalized	5,568,561	
Developer contributions	5,876,640	
Depreciation	<u>(9,672,899)</u>	1,772,302
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	428,178	
Items related to pension plan	<u>(134,555)</u>	293,623
Repayments of debt principal are expenditures in the governmental funds, but they reduce long-term liabilities in the statement of net position and do not affect the statement of activities.		1,476,841
Some expense reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	(355,252)	
Change in accrued interest	12,097	
Accretion of bond premium	6,256	
Amortization of deferred charge on refunding	<u>(25,908)</u>	<u>(362,807)</u>
Change in net position--governmental activities		<u><u>\$ 16,279,960</u></u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2019

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
ASSETS					
Current Assets					
Cash and Investments	\$ 42,852,103	\$ 21,942,908	\$ 6,490,104	\$ 71,285,115	\$ 3,193,285
Restricted Cash and Investments	133,561	21,191	-	154,752	87,224
Accounts Receivable	1,413,718	1,219,856	153,963	2,787,537	2,119
Inventories	105,759	-	-	105,759	53,600
Total Current Assets	<u>44,505,141</u>	<u>23,183,955</u>	<u>6,644,067</u>	<u>74,333,163</u>	<u>3,336,228</u>
Noncurrent Assets					
Capital Assets					
Land and Water Rights	29,277,408	1,757,575	682,473	31,717,456	-
Building and Improvements	26,347,185	10,811,002	685,817	37,844,004	-
Collection and Distribution Systems	108,470,800	31,126,398	24,061,855	163,659,053	-
Machinery and Equipment	3,922,170	2,984,713	134,673	7,041,556	-
Other Assets	109,548	86,434	20,318	216,300	-
Less Accumulated Depreciation	(62,872,219)	(28,963,303)	(11,344,544)	(103,180,066)	-
Construction in Progress	2,033,340	438,893	1,154,081	3,626,314	-
Total Noncurrent Assets	<u>107,288,232</u>	<u>18,241,712</u>	<u>15,394,673</u>	<u>140,924,617</u>	<u>-</u>
Total Assets	<u>151,793,373</u>	<u>41,425,667</u>	<u>22,038,740</u>	<u>215,257,780</u>	<u>3,336,228</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	1,390,941	462,361	335,059	2,188,361	21,673
Accrued Wages Payable	21,642	17,682	1,649	40,973	3,569
Accrued Interest Payable	62,965	19,393	-	82,358	-
Deposits and Escrows	175,677	1,061,597	738,775	1,976,049	-
Estimated Unpaid Claims	-	-	-	-	265,095
Compensated Absences, Current Portion	131,290	103,701	1,362	236,353	-
Bonds Payable, Current Portion	968,637	231,893	-	1,200,530	-
Total Current Liabilities	<u>2,751,152</u>	<u>1,896,627</u>	<u>1,076,845</u>	<u>5,724,624</u>	<u>290,337</u>
Noncurrent Liabilities					
Bonds Payable	18,991,592	5,766,664	-	24,758,256	-
Total Noncurrent Liabilities	<u>18,991,592</u>	<u>5,766,664</u>	<u>-</u>	<u>24,758,256</u>	<u>-</u>
Total Liabilities	<u>21,742,744</u>	<u>7,663,291</u>	<u>1,076,845</u>	<u>30,482,880</u>	<u>290,337</u>
NET POSITION					
Net Investment in Capital Assets	87,328,003	12,243,155	15,394,673	114,965,831	-
Unrestricted	42,722,626	21,519,221	5,567,222	69,809,069	3,045,891
Total Net Position	<u>\$ 130,050,629</u>	<u>\$ 33,762,376</u>	<u>\$ 20,961,895</u>	<u>\$ 184,774,900</u>	<u>\$ 3,045,891</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES					
Charges For Services	\$ 13,030,420	\$ 8,158,824	\$ 862,209	\$ 22,051,453	\$ 5,813,454
Tap Fees	115,488	-	-	115,488	-
Miscellaneous	215,010	39,818	54,682	309,510	7,601
Total Operating Revenues	<u>13,360,918</u>	<u>8,198,642</u>	<u>916,891</u>	<u>22,476,451</u>	<u>5,821,055</u>
OPERATING EXPENSES					
Operations	9,758,696	4,621,965	384,432	14,765,093	975,138
Administration	2,330,622	1,179,873	230,657	3,741,152	439,774
Insurance Claims	-	-	-	-	3,127,584
Insurance Premiums	-	-	-	-	1,006,618
Depreciation	5,074,856	1,567,629	941,264	7,583,749	-
Total Operating Expenses	<u>17,164,174</u>	<u>7,369,467</u>	<u>1,556,353</u>	<u>26,089,994</u>	<u>5,549,114</u>
Operating Income (Loss)	<u>(3,803,256)</u>	<u>829,175</u>	<u>(639,462)</u>	<u>(3,613,543)</u>	<u>271,941</u>
NONOPERATING REVENUES (EXPENSES)					
Grants	218,850	-	-	218,850	-
Developer Reimbursements	-	-	(713,157)	(713,157)	-
Sale of Capital Assets	24,300	11,500	5,888	41,688	33,400
Investment Earnings	1,011,485	524,196	146,961	1,682,642	28,599
Interest Expense	(694,129)	(222,623)	-	(916,752)	-
Total Nonoperating Revenues (Expenses)	<u>560,506</u>	<u>313,073</u>	<u>(560,308)</u>	<u>313,271</u>	<u>61,999</u>
Income (Loss) Before Capital Contributions and Transfers	(3,242,750)	1,142,248	(1,199,770)	(3,300,272)	333,940
TRANSFERS IN	391,230	165,848	50,422	607,500	-
CAPITAL CONTRIBUTIONS	<u>8,690,198</u>	<u>1,093,102</u>	<u>2,119,454</u>	<u>11,902,754</u>	<u>-</u>
Change in Net Position	5,838,678	2,401,198	970,106	9,209,982	333,940
Net Position--January 1, restated	<u>124,211,951</u>	<u>31,361,178</u>	<u>19,991,789</u>	<u>175,564,918</u>	<u>2,711,951</u>
Net Position--December 31	<u>\$ 130,050,629</u>	<u>\$ 33,762,376</u>	<u>\$ 20,961,895</u>	<u>\$ 184,774,900</u>	<u>\$ 3,045,891</u>

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

CITY OF BRIGHTON, COLORADO
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts From Customers	\$ 12,829,823	\$ 7,921,754	\$ 832,465	21,584,042	\$ 5,919,322
Other Receipts	215,010	39,818	54,682	309,510	7,601
Payments to Suppliers and Service Providers	(10,863,086)	(3,971,552)	(388,817)	(15,223,455)	(448,267)
Payments to Employees For Salaries and Benefits	(2,372,063)	(1,198,310)	(238,957)	(3,809,330)	(4,978,779)
Net Cash Provided By (Used In) Operating Activities	(190,316)	2,791,710	259,373	2,860,767	499,877
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers From Other Funds	391,230	165,848	50,422	607,500	-
Net Cash Provided by Noncapital Financing Activities	391,230	165,848	50,422	607,500	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	8,690,198	1,093,102	2,119,454	11,902,754	-
Grants	218,850	-	-	218,850	-
Acquisition and Construction of Capital Assets	(5,008,123)	(707,279)	(1,018,762)	(6,734,164)	-
Developer Reimbursements	-	-	(713,157)	(713,157)	-
Proceeds on Sale of Capital Assets	24,300	11,500	5,888	41,688	33,400
Principal Paid on Capital Debt	(932,834)	(226,729)	-	(1,159,563)	-
Interest Paid on Capital Debt	(694,129)	(222,623)	-	(916,752)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	2,298,262	(52,029)	393,423	2,639,656	33,400
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest Income	1,011,485	524,196	146,961	1,682,642	28,599
Net Cash Provided By Investing Activities	1,011,485	524,196	146,961	1,682,642	28,599
Net Increase in Cash and Cash Equivalents	3,510,661	3,429,725	850,179	7,790,565	561,876
Cash and Cash Equivalents--January 1	39,475,003	18,534,374	5,639,925	63,649,302	2,718,633
Cash and Cash Equivalents--December 31	<u>\$ 42,985,664</u>	<u>\$ 21,964,099</u>	<u>\$ 6,490,104</u>	<u>\$ 71,439,867</u>	<u>\$ 3,280,509</u>
Pooled Cash and Cash Equivalents	42,852,103	21,942,908	6,490,104	71,285,115	3,193,285
Restricted Cash and Cash Equivalents	133,561	21,191	-	154,752	87,224
Total Cash and Cash Equivalents	<u>\$ 42,985,664</u>	<u>\$ 21,964,099</u>	<u>\$ 6,490,104</u>	<u>\$ 71,439,867</u>	<u>\$ 3,280,509</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating Income (loss)	\$ (3,803,256)	\$ 829,175	\$ (639,462)	\$ (3,613,543)	\$ 271,941
Adjustments to Reconcile Operating Income (loss) to Net Cash Provided By (Used In) Operating Activities:					
Depreciation Expense	5,074,856	1,567,629	941,265	7,583,750	-
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(316,085)	(237,071)	(29,748)	(582,904)	105,868
(Increase) Decrease in Inventories	-	-	-	-	76,515
(Increase) Decrease in Prepaid Items	-	-	-	-	41,168
(Decrease) Increase in Accounts Payable	(545,444)	(162,313)	(61,307)	(769,064)	3,783
(Decrease) Increase in Retainage Payable	(549,645)	(93,493)	(13,686)	(656,824)	-
(Decrease) Increase in Accrued Wages Payable	(64,632)	(40,480)	(4,996)	(110,108)	(8,493)
(Decrease) Increase in Unpaid Claims	-	-	-	-	9,095
(Decrease) Increase in Compensated Absences	23,190	22,043	(3,304)	41,929	-
(Decrease) Increase in Deposits and Escrows	(9,300)	906,220	70,611	967,531	-
Total Adjustments	3,612,940	1,962,535	898,835	6,474,310	227,936
Net Cash Provided by (Used In) Operating Activities	<u>\$ (190,316)</u>	<u>\$ 2,791,710</u>	<u>\$ 259,373</u>	<u>\$ 2,860,767</u>	<u>\$ 499,877</u>

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

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	TOTAL
ASSETS			
Cash and Investments	\$ 3,358,644	\$ 239,555	\$ 3,598,199
Restricted Cash and Investments	2,244,727	-	2,244,727
Taxes Receivable	5,372,431	-	5,372,431
Land Held for Sale	1,625,000	-	1,625,000
Total Assets	<u>\$ 12,600,802</u>	<u>\$ 239,555</u>	<u>\$ 12,840,357</u>
LIABILITIES			
Accounts Payable	\$ 7,695	\$ 10,865	\$ 18,560
Sales Tax Rebate Payable	889,661	-	889,661
Accrued Wages Payable	1,214	-	1,214
Accrued Liabilities	1,167,960	95,757	1,263,717
Deposits and Escrows	500	-	500
Total Liabilities	<u>2,067,030</u>	<u>106,622</u>	<u>2,173,652</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned Revenue-Property Taxes	5,372,431	-	5,372,431
Total Deferred Inflows of Resources	<u>5,372,431</u>	<u>-</u>	<u>5,372,431</u>
FUND BALANCES			
Nonspendable	1,625,000	-	1,625,000
Restricted	2,244,727	95,757	2,340,484
Unassigned	1,291,614	37,176	1,328,790
Total Fund Balances	<u>5,161,341</u>	<u>132,933</u>	<u>5,294,274</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 12,600,802</u>	<u>\$ 239,555</u>	<u>\$ 12,840,357</u>
Amount Reported in the Statement of Net Position is Different:			
Total Fund Balances	\$ 5,161,341	\$ 132,933	\$ 5,294,274
Capital Assets, Net of Accumulated Depreciation	3,616,310	-	3,616,310
Deferred Charge on Refunding	186,389	-	186,389
Compensated Absences	(12,136)	-	(12,136)
Accrued Interest	(69,827)	-	(69,827)
Long-Term Debt	(9,965,000)	-	(9,965,000)
Total Net Position	<u>\$ (1,082,923)</u>	<u>\$ 132,933</u>	<u>\$ (949,990)</u>

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS - COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	TOTAL
REVENUES			
Sales Tax	\$ 1,231,524	\$ -	\$ 1,231,524
Property Tax	4,372,658	-	4,372,658
Grants and Intergovernmental	80,000	190,387	270,387
Charges for Services	87,301	470	87,771
Investment Earnings	175,879	5,750	181,629
Miscellaneous	1,508	-	1,508
Total Revenues	<u>5,948,870</u>	<u>196,607</u>	<u>6,145,477</u>
EXPENDITURES			
Personal Services	314,628	-	314,628
Purchased Services	207,531	-	207,531
Operating Expenses	144,017	188,909	332,926
Capital Outlay	61,289	-	61,289
Tax Rebates and Incentives	3,652,827	-	3,652,827
Debt Service			
Principal	795,000	-	795,000
Interest and Fiscal Charges	288,750	-	288,750
Loan Fees	2,000	-	2,000
Total Expenditures	<u>5,466,042</u>	<u>188,909</u>	<u>5,654,951</u>
Net Change in Fund Balances	482,828	7,698	490,526
Fund Balances--January 1	<u>4,678,513</u>	<u>125,235</u>	<u>4,803,748</u>
Fund Balances--December 31	<u>\$ 5,161,341</u>	<u>\$ 132,933</u>	<u>\$ 5,294,274</u>
Amount Reported In the Statement of Activities is Different:			
Net Change in Fund Balances	\$ 482,828	\$ 7,698	\$ 490,526
Change in Accrued Interest	(7,721)	-	(7,721)
Depreciation Expense	(229,366)	-	(229,366)
Debt Principal Payments	795,000	-	795,000
Change in Accrued Compensated Absences	6,947	-	6,947
Amortization of Loss on Refunding	(24,823)	-	(24,823)
Change in Net Position	<u>\$ 1,022,865</u>	<u>\$ 7,698</u>	<u>\$ 1,030,563</u>

Notes to the Basic Financial Statements

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CITY OF BRIGHTON, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

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.

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") and *Brighton Cultural Arts Commission* ("BCAC"). Neither of the component units issues their own financial statements.

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

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

DISCRETELY PRESENTED COMPONENT UNITS

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

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

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

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.

CITY OF BRIGHTON, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly associated with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items are properly not included among program revenues and are reported as general revenues.

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

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 the voters in 1976.

The City reports the following major proprietary funds which account for the City of Brighton Water Activity Enterprise:

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

On May 16, 1995, the City of Brighton Water Activity Enterprise was established by Ordinance No. 1470.

CITY OF BRIGHTON, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2019

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 medical benefits are provided by this fund.
- The Fleet Internal Service Fund accounts for centralized maintenance of city-owned vehicles.

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

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.

ASSETS, LIABILITIES, DEFERRED OUTFLOW/INFLOWS 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

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

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

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

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).

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

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

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

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

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

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

Compensated Absences – Employees of the City are allowed to accumulate unused personal leave. The maximum accumulation of personal leave time is limited to two years entitlement for most employees, and three years entitlement for department and executive directors. Depending on years of service and position held, the maximum accrual allowed is 768 hours.

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

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

Deferred Inflows/Outflow of Resources – In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has items that qualify for reporting in this category relating to a deferred charge on a bond refunding and changes in net pension liability, both reported in the statement of net position.

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

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

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

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

Non-Spendable Fund Balances indicate amounts that are not in a spendable form such as inventory, or are required to be maintained intact principal of an endowment fund such as the Cemetery Perpetual Care Fund. Restricted Fund Balances indicate amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors, or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource

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providers. Committed Fund Balances indicate amounts that can be used only for the specific purposes determined by a formal action of the City Council the City's highest level of decision making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint.

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

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

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

REVENUES AND EXPENDITURES/EXPENSES

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

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

Tax Year

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

Ensuing Collection Year

Taxes attach as an enforceable lien on property.....January 1

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First installment due date (one-half of taxes due).....February 28
Taxes due in full (unless installments elected by taxpayer).....April 30
Second installment due date (second half due).....June 15

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

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

Use of Estimates

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

NOTE 2. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

BUDGETARY INFORMATION

Budget and Appropriation Process - The City of Brighton's budget is planned on a calendar year basis as required by the Colorado Revised Statutes, Section 29-1-101, and Article X of the City of Brighton Charter. The budget presents a complete financial plan setting forth all estimated expenditures, revenues, and other financing sources for the ensuing year, together with the corresponding figures for the previous calendar 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 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 expenditure thereof by adopting a supplemental budget and appropriation resolution. The transfer of budget and appropriated monies within a fund or between funds may be done only in accordance with the Charter.

Budgetary Accounting and Control - Budgets for the General, Lottery, Landscaping, Impact Fees, Cemetery, Highway, Lodging Tax, Capital Improvement, Parks & Recreation Capital Improvement, and Cemetery Perpetual Care Funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). The modified accrual basis of accounting is used, whereby revenues are recognized when susceptible to accrual (i.e. sales taxes, property

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taxes, franchise taxes, interest and grants). Fines and permit revenues are not susceptible to accrual, as they generally are not measurable until received in cash. Expenditures are generally recognized when the related fund liability is incurred.

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

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. Encumbrances are commitments related to unperformed (executory) contracts for good or services (i.e., contracts and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control.

STATE CONSTITUTIONAL AMENDMENT

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

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

TABOR also requires the City to set aside a portion of its spending for an emergency reserve. The emergency reserve may not be used to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. In 2019, the required reserve of 3% of current year spending, excluding voter approved amounts, federal revenues, bond proceeds, and other restrictions under TABOR, totaled \$1,538,992.

NOTE 3. DEPOSITS AND INVESTMENTS

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 market value of the collateral must be at least equal to 102% of the uninsured deposits. All deposits in 2019 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

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At December 31, 2019, the City and Component Units' deposits had a carrying value of \$6,721,366 and a bank balance of \$8,297,059. Of the bank balances \$837,224 was covered by FDIC insurance with the balance being covered by PDPA.

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
- Commercial paper
- Local government investment pools
- Written repurchase agreements collateralized by certain authorized securities
- Certain money market funds

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

The City and its component units had the following investments at December 31, 2019:

Investment Type	Measurement	S&P Rating	Total	< 1 Year	2-3 Years	4-5 Years
U.S. Government Treasuries	Fair Value - Level 1	AA+	\$ 42,528,280	\$ 1,825,381	\$22,340,728	\$18,362,171
Supra National Agency	Fair Value - Level 2	AAA	7,473,706	1,602,337	4,882,858	988,511
Municipal Bond	Fair Value - Level 2	A to AAA	9,607,435	125,350	3,990,767	5,491,318
U.S. Government Agencies	Fair Value - Level 2	AA+	20,888,359	531,040	8,515,154	11,842,165
Corporate Notes	Fair Value - Level 2	BBB+ to AAA	6,958,589	420,610	6,537,979	-
Commercial Paper	Fair Value - Level 2	A-1	498,185	498,185	-	-
Certificate of Deposit	Fair Value - Level 2	A+ to A-1	5,510,836	2,456,743	3,054,093	-
WF 100% Treasury MM Fund	Net Asset Value	AAAm	747	747	-	-
WF Government MM Fund	Net Asset Value	AAAm	47,689,804	47,689,804	-	-
Colotrust	Net Asset Value	AAAm	1,094,939	1,094,939	-	-
CSIP	Net Asset Value	AAAm	146,975	146,975	-	-
Federated Gov't Obligations	Net Asset Value	AAAm	880,580	880,580	-	-
CSAFE	Amortized Cost	AAAm	7,171,931	7,171,931	-	-
Total			\$ 150,450,366	\$ 64,444,622	\$ 49,321,579	\$ 36,684,165
% of Total				43%	33%	24%

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

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

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that are observable or can be corroborated by observable market data for substantially the full-term of the assets or liabilities.

3. Level 3 Unobservable inputs for an asset or liability.

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

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

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

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, 2019, the City's investments securities were held by the counterparty (broker), in the City's name.

Local Government Investment Pools - The Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE) are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the pools. The pools operate in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. The pools are rated AAAM by Standard and Poor's. 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.

NOTE 4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2019, is summarized, as follows:

BRIGHTON URBAN RENEWAL AUTHORITY	BALANCE 12/31/18	ADDITIONS	DELETIONS	BALANCE 12/31/19
Capital Assets, Being Depreciated				
Building and Improvements	\$ 5,599,815	\$ -	\$ -	5,599,815
Machinery and Equipment	138,905	-	-	138,905
Total Capital Assets, Being Depreciated	5,738,720	-	-	5,738,720
Less Accumulated Depreciation				
Building and Improvements	1,836,681	222,601	-	2,059,282
Machinery and Equipment	56,364	6,764	-	63,128
Total Accumulated Depreciation	1,893,045	229,365	-	2,122,410
Total Capital Assets, Being Depreciated, Net	3,845,675	(229,365)	-	3,616,310
BURA Activities Capital Assets, Net	\$ 3,845,675	\$ (229,365)	\$ -	\$ 3,616,310

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GOVERNMENTAL ACTIVITIES	BALANCE 12/31/18	ADDITIONS	DELETIONS	BALANCE 12/31/19
Capital Assets, Not Being Depreciated				
Land	\$26,292,627	\$ 70,476	\$ -	\$26,363,103
Water rights	2,036,050	-	-	2,036,050
Construction in Progress	8,378,718	2,790,283	(7,342,919)	3,826,082
Total Capital Assets, Not Being Depreciated	36,707,395	2,860,759	(7,342,919)	32,225,235
Capital Assets, Being Depreciated				
Building and Improvements	92,480,918	4,284,281	-	\$96,765,199
Infrastructure	87,371,985	9,200,967	-	96,572,952
Other Assets	866,830	-	-	866,830
Machinery and Equipment	18,904,668	2,442,113	(333,437)	21,013,344
Total Capital Assets, Being Depreciated	199,624,401	15,927,361	(333,437)	215,218,325
Less Accumulated Depreciation				
Building and Improvements	56,985,187	3,507,149	-	60,492,336
Infrastructure	37,692,123	4,544,648	-	42,236,771
Other Assets	553,789	21,376	-	575,165
Machinery and Equipment	11,228,638	1,599,726	(333,437)	12,494,927
Total Accumulated Depreciation	106,459,737	9,672,899	(333,437)	115,799,199
Total Capital Assets, Being Depreciated, Net	93,164,664	6,254,462	-	99,419,126
Governmental Activities Capital Assets, Net	\$ 129,872,059	\$ 9,115,221	\$ (7,342,919)	\$ 131,644,361

BUSINESS -TYPE ACTIVITIES	BALANCE 12/31/18	ADDITIONS	DELETIONS	BALANCE 12/31/19
Capital Assets, Not Being Depreciated				
Land	\$ 9,513,128	\$ -	-	\$ 9,513,128
Water Rights	22,135,448	68,880	-	22,204,328
Wastewater Connection Fees	12,345,412	-	(12,345,412)	-
Construction in Progress	10,664,286	2,973,856	(10,011,828)	3,626,314
Total Capital Assets, Not Being Depreciated	54,658,274	3,042,736	(22,357,240)	35,343,770
Capital Assets, Being Depreciated				
Building and Improvements	37,575,007	268,997	-	37,844,004
Collection and Distribution Systems	150,756,937	12,902,116	-	163,659,053
Machinery and Equipment	6,676,350	471,930	(106,724)	7,041,556
Other Assets	216,300	-	-	216,300
Total Capital Assets, Being Depreciated	195,224,594	13,643,043	(106,724)	208,760,913
Less Accumulated Depreciation				
Building and Improvements	23,545,681	1,224,467	-	24,770,148
Collection and Distribution Systems	68,460,974	5,669,335	-	74,130,309
Machinery and Equipment	3,490,094	687,912	(106,724)	4,071,282
Other Assets	206,291	2,036	-	208,327
Total Accumulated Depreciation	95,703,040	7,583,750	(106,724)	103,180,066
Total Capital Assets, Being Depreciated, Net	99,521,554	6,059,293	-	105,580,847
Business-Type Activities Capital Assets, Net	\$ 154,179,828	\$ 9,102,029	\$ (22,357,240)	\$ 140,924,617

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

DESCRIPTION	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
General Government	\$ 1,111,562	\$ -
Public Safety	512,276	-
Public Works	5,735,084	-
Eagle View Adult Center	280,896	-
Recreation Center	317,773	-
Parks	1,668,089	-
Cemetery	41,968	-
Community Development	5,251	-
Water	-	5,074,856
Wastewater	-	1,567,629
Storm Drainage	-	941,265
Total Depreciation Expense	<u>\$ 9,672,899</u>	<u>\$ 7,583,750</u>

NOTE 5. INTERFUND TRANSACTIONS

The composition of interfund transfers as of December 31, 2019 is as follows:

TRANSFER IN FUND	TRANSFER OUT FUND	AMOUNT
General	Landscaping	\$6,000
Capital Improvement	General	1,601,000
Parks and Recreation	Impact Fees	194,000
Cemetery	General	283,500
Parks and Recreation	General	8,925
Water Fund	General	391,230
Wastewater Fund	General	165,848
Storm Drainage	General	50,422
Parks and Recreation	Conservation Trust	344,000
Cemetery Perpetual	Cemetery Fund	1,000
Lottery Fund	Parks and Recreation	420,425
	Total	<u>\$3,466,350</u>

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

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NOTE 6. LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES – LONG-TERM DEBT TRANSACTIONS

	BALANCE 12/31/18	INCREASES	DECREASES	BALANCE 12/31/19	DUE WITHIN ONE YEAR
2010 Certificates of Participation	\$ 23,830,000	\$ -	\$ 890,000	\$ 22,940,000	\$ 925,000
2016 Certificates of Participation	5,340,780	-	366,700	4,974,080	377,827
Debt Premium	105,834	-	6,256	99,578	-
2017 Capital Lease	1,392,192	-	220,141	1,172,051	224,766
Compensated Absences	1,795,163	1,929,753	1,574,501	2,150,415	1,886,086
Total	<u>\$32,463,969</u>	<u>\$ 1,929,753</u>	<u>\$ 3,057,598</u>	<u>\$31,336,124</u>	<u>\$ 3,413,679</u>

Compensated absences are expected to be liquidated primarily with revenues of the General Fund.

2010 Certificates of Participation

During June 2010, the City issued \$26,565,000 Certificates of Participation, Series 2010A and 2010B, to refund the outstanding Certificates of Participation, Series 2000, and finance the costs of constructing an adult recreation center and aquatic park, purchasing and rehabilitating a building to be used as the Main City Hall, acquiring open space land and developing vacant land into a park. The Certificates of Participation, Series 2000, were originally issued to construct a new municipal court and police facility.

Principal payments on the Certificates of Participation, Series 2010A, totaling \$7,775,000, are due annually, beginning June 1, 2012, through 2024. Interest is due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 2% to 5% per annum. The Certificates of Participation, Series 2010B, totaling \$18,790,000, require annual principal payments beginning December 1, 2024, through 2034. Interest payments are due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 6.55% to 6.75% per annum. The Certificates of Participation, Series 2010B, were issued as Build America Bonds whereby the City would receive a subsidy from the United States Treasury equal to 35% of each interest payment.

A portion of the proceeds of the Certificates of Participation, Series 2010A, were issued to refund the Certificates of Participation, Series 2000. The refunding resulted in an accounting loss of \$259,110 and an economic gain of \$76,296 and reduced the City's aggregate debt service payments by approximately \$389,486. Proceeds of \$4,867,643 plus other available funds of \$696,467 were deposited with an escrow agent to provide for all future debt service requirements of the Certificates of Participation, Series 2000. As a result, the refunded Certificates of Participation are considered defeased and have been removed from the financial statements. The outstanding balance of the defeased debt at December 31, 2019 was \$0.

2016 Certificates of Participation

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

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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 (22 S. 4th Avenue.)

Principal payments on the Certificates of Participation, Tax Exempt Series 2016A, totaling \$4,480,620, are due annually, beginning February 2017, through 2031 (15 years.) Interest is due semi-annually on February 24 and August 24 with an interest rate of 2.43%. Principal payments on the Certificates of Participation, Taxable Series 2016B, totaling \$2,519,380, are due annually, beginning February 2017, through 2026 (10 years.) Interest is due semi-annually on February 24 and August 24 with an interest rate of 3.34%.

2017 Master Lease Equipment Purchase Agreement (Capital Lease)

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

Annual debt service requirements for the outstanding 2010 Certificates of Participation, the 2016 Certificates of Participation, Tax Exempt Series 2016A, the 2016 Certificates of Participation, Taxable Series 2016B, and the 2017 Master Equipment Lease Purchase Agreement at December 31, 2018, were as follows:

Year Ending December 31,	Certificates of Participation				Master Lease	
	2010 Principal	2010 Interest	2016 Principal	2016 Interest	2017 Principal	2017 Interest
2020	925,000	1,429,515	377,827	135,114	224,766	23,327
2021	960,000	1,392,315	389,299	123,643	229,488	18,605
2022	1,000,000	1,350,915	401,125	111,814	234,309	13,784
2023	1,050,000	1,300,290	413,320	99,621	239,232	8,861
2024	1,095,000	1,258,290	425,892	87,048	244,256	3,835
2025 - 2029	6,610,000	5,151,735	2,106,210	249,721	-	-
2030 - 2034	9,095,000	2,663,070	860,407	26,293	-	-
2035	2,205,000	148,838	-	-	-	-
Total	<u>\$ 22,940,000</u>	<u>\$ 14,694,968</u>	<u>\$ 4,974,080</u>	<u>\$ 833,254</u>	<u>\$ 1,172,051</u>	<u>\$ 68,412</u>

BUSINESS-TYPE ACTIVITIES - LONG TERM DEBT TRANSACTIONS

	BALANCE 12/31/18	INCREASES	DECREASES	BALANCE 12/31/19	DUE WITHIN ONE YEAR
2016 Revenue Bonds	\$ 25,085,000	\$ -	\$ 1,120,000	\$ 23,965,000	\$ 1,160,000
2016 Certificates of Participation	964,564	-	39,563	925,001	40,530
Bond Premium	1,128,998	-	60,213	1,068,785	-
Compensated Absences	194,424	257,880	215,951	236,353	236,353
Total	<u>\$ 27,372,986</u>	<u>\$ 257,880</u>	<u>\$ 1,435,727</u>	<u>\$ 26,195,139</u>	<u>\$ 1,436,883</u>

2016 Water Activity Enterprise Revenue Bonds

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

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Principal Payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016A, are due annually beginning June 1, 2017, through 2037. Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 1.5% to 5.0% per annum. Principal Payments for the Water Activity Enterprise Revenue Refunding Bonds, Series 2016B, are due annually beginning June 1, 2017, through 2037. Interest payments are due semi-annually on June 1 and December 1. Interest accrues on the bonds at rates ranging from 3.0% to 4.0% per annum. The bonds are paid solely from revenues of the City's water and wastewater system.

2016 Certificates of Participation

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

Annual debt service requirements for the outstanding 2016 Water Activity Enterprise Revenue Bonds, and the 2016 Certificates of Participation for the Water Fund and Wastewater Fund at December 31, 2019, were as follows:

Year Ending December 31,	<u>2016A Certificates of Participation</u>		<u>2016 Enterprise Bonds</u>	
	Principal	Interest	Principal	Interest
2020	40,530	22,233	1,160,000	921,600
2021	41,521	21,242	1,195,000	885,125
2022	42,536	20,227	1,225,000	853,863
2023	43,576	19,187	1,255,000	826,625
2024	44,641	18,122	1,260,000	798,937
2025 - 2029	455,339	67,249	6,350,000	3,312,950
2030 - 2034	256,858	7,849	6,955,000	1,750,800
2035 - 2037	-	-	4,565,000	276,900
Total	<u>\$ 925,001</u>	<u>\$ 176,109</u>	<u>\$ 23,965,000</u>	<u>\$ 9,626,800</u>

COMPONENT UNIT, BURA - LONG TERM DEBT TRANSACTIONS

	BALANCE 12/31/18	INCREASES	DECREASES	BALANCE 12/31/19	DUE WITHIN ONE YEAR
2015 Tax Increment Bonds	\$ 8,250,000	\$ -	\$ 795,000	\$ 7,455,000	\$ 825,000
Loan Payable--City of Brighton	2,510,000	-	-	2,510,000	-
Compensated Absences	19,083	2,889	9,836	12,136	6,256
Total	<u>\$ 10,779,083</u>	<u>\$ 2,889</u>	<u>\$ 804,836</u>	<u>\$ 9,977,136</u>	<u>\$ 831,256</u>

2015 Revenue Bonds - On December 15, 2015, BURA issued \$9,890,000 Tax Increment Revenue Refunding Bonds, Series 2015A and \$555,000 Taxable Tax Increment Revenue Bonds, Series 2015B, which were issued to refund the BURA outstanding Tax Increment Revenue Refunding and Improvement Bonds, Series 2009 and provide funding for an improvement project in the BURA

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area respectively. Proceeds of the refunding were reduced by an \$80,000 call premium and \$88,000 bond issuance costs, which were expensed.

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

Annual debt service requirements for the outstanding bonds at December 31, 2019 are as follows:

Year Ending December 31,	2015 Tax Increment Revenue Bonds	
	Principal	Interest
2020	\$ 825,000	\$ 288,750
2021	850,000	260,925
2022	880,000	232,050
2023	915,000	202,300
2024	945,000	171,500
2025 - 2027	3,040,000	215,250
Total	<u>\$ 7,455,000</u>	<u>\$ 1,370,775</u>

Loan Payable, City of Brighton - In March 2015, the City and BURA entered into a promissory note in which the City loaned BURA \$2,510,000 at a simple interest rate of 0.4% for a term of six months, interest and principal are payable at maturity. Such monies were used by BURA to acquire real property and appurtenance located at 880 South Main Street, 750 South Main Street and 740 South Main Street, Brighton, Adams County, Colorado. The loan is secured by these properties. On September 15, 2015 a Promissory Note Extension and Amendment Agreement was executed extending the maturity date of the note to September 18, 2022. All other terms and conditions in the Note remained unchanged and in effect.

NOTE 7. RETIREMENT PLANS

EMPLOYEE RETIREMENT AND DEFERRED COMPENSATION PLANS

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

The Fire and Police Pension Association (FPPA) uses the accrual basis of accounting. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position were calculated using this basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized

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when due and payable in accordance with the benefit terms. Investments are reported at fair value. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information. Contact FPPA at 1-800-332-2772 to obtain a copy of the report or visit their website <http://www.fppaco.org>.

Description of Benefits

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

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

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

Contributions

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership.

Members of the SWDB plan and their employers contributed at a rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2016. Member contribution rates increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will remain at 8 percent resulting in a combined contribution rate of 20 percent in 2022.

Contributions from members and employers of departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The re-entry group has a combined contribution rate of 20 percent of base salary through 2014. It is a local decision as to whether the member or employer pays the additional 4 percent contribution. Per the 2014 member election, the re-entry group will also have their required member contribution rate increase 0.5 percent annually beginning in 2016 through 2022 for a total combined member and employer contribution rate of 24 percent in 2022.

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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, 2019, the City reported a net pension liability of \$1,010,168 for its proportional share of the net pension liability. The net pension liability was measured as of December 31, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019 and a measurement date of December 31, 2018. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2019, the City's proportion was 0.80 percent, which was a decrease of .08 from its proportion measured as of December 31, 2018.

At December 31, 2019, 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	\$ 1,297,980	\$ 10,792
Change in Assumptions	978,315	-
Difference Projected and Actual Investment Earnings	794,652	-
Proportion Changes and Differences City Contributions and Proportionate Share Contributions	98,859	-
City Contributions Subsequent to Measurement Date	428,178	-
	<u>\$ 3,597,984</u>	<u>\$ 10,792</u>

\$428,178 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2020. 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
2020	\$ 580,494
2021	426,104
2022	364,583
2023	595,685
2024	295,928
Thereafter	896,221
	<u>\$ 3,159,015</u>

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Actuarial Assumptions

The January 1, 2019 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2018. The valuation used the following actuarial assumption and other inputs.

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

The collective total pension liability as of December 31, 2018 is based upon the January 1, 2019 actuarial valuation.

Long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2018 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	37%	8.03%
Equity Long/Short	9%	6.45%
Illiquid Alternatives	24%	10.00%
Fixed Income	15%	2.90%
Absolute Return	9%	5.08%
Managed Futures	4%	5.35%
Cash	2%	2.52%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the Board's funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDB plan fiduciary net pension was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

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Sensitivity of the City's proportionate share of the net pension liability (asset) to changes in the discount rate.

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

	1% Decrease (6.0%)	Discount Rate (7.0%)	1% Increase (8.0%)
City's proportionate share of the net pension liability (asset)	\$ 3,917,309	\$ 1,010,168	\$ (1,401,253)

Pension Plan Fiduciary Net Position

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

Other Information

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

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

<u>YEAR</u> <u>ENDED</u> <u>DECEMBER 31,</u>	<u>DEFINED BENEFIT PLAN</u> <u>REQUIRED CONTRIBUTIONS</u>		<u>DEFERRED 457 PLAN</u> <u>REQUIRED CONTRIBUTIONS</u>	
	<u>CITY</u>	<u>EMPLOYEES</u>	<u>CITY</u>	<u>EMPLOYEES</u>
2019	442,512	597,794	38,163	67,334
2018	425,329	523,321	34,760	47,179
2017	395,604	463,028	30,683	41,157

International City Management Association – Retirement Corporation (ICMA-RC) - Full-time and Part-time benefitted employees not covered under FPPA are covered by a single employer defined contribution money purchase retirement plan. The contribution requirements of plan participants and the City are established and may be amended by the City Council. The Plan is administered by ICMA-RC. In 2019, the contribution rate was set at 18%, the employee contributes 9% and the City contributes 9% of each participant's covered salary. During the year ended December 31, 2019, the City and employee contributions were \$1,472,516 each, equal to the required contributions.

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

The City offers employees not covered by FPPA the opportunity to contribute to an Internal Revenue Code (IRC) Section 457 deferred compensation plan administered by ICMA-RC. This

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plan allows employees and city council members at their option to defer a portion of their salary until future years. Compensation deferred is not available to the employee until termination, retirement, death, or permanent disability. All amounts deferred are held in trust by ICMA-RC for the exclusive benefit of participating employees.

NOTE 8. OTHER INFORMATION

RISK MANAGEMENT

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

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

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

The City is liable for the first \$25,000 on each liability (including auto liability) and property claim, \$1,000 for auto physical damage claim and \$500 for worker's compensation claim. The amount of settlements has not exceeded insurance coverage in any of the past three fiscal years.

Self-Funded Health Plan - The City established a self-funded health plan effective January 1, 2014. The purpose of the program is to pay the health claims of eligible City employees and their covered dependents. As of January 1, 2014 the City entered into an administrative services only arrangement with United Health Care, whereby the City pays United Health Care a separate amount for administrative costs and claim servicing fees. The City agrees to provide monthly funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The following is a summary of changes in the City's estimated unpaid claims as of December 31, 2019.

	2019
Estimated unpaid claims, January 1	\$ 256,000
Incurred Claims	3,127,584
Claims Payments	(3,118,489)
Estimated unpaid claims, December 31	\$ 265,095

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COMMITMENTS AND CONTINGENCIES

Grant Expenditures - The City participates in various Federal grant programs, the principal of which are subject to program compliance audits pursuant to the Single Audit Act as amended. Accordingly, the government's compliance with applicable grant requirements will be established at a future date. 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

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

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.

TAX ABATEMENTS

The City offers individual business incentive packages to attract new businesses, grow the local economy, and to provide quality job opportunities for 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, that is, money is disbursed once a business meets or exceeds specific performance measures. 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. All incentive agreements are subject to annual appropriations by City Council as required in the Colorado Constitution and the City Charter. In 2019, the City paid \$3,089,816 and BURA (component unit) paid \$2,302,544 in tax abatements.

NOTE 9. PRIOR PERIOD ADJUSTMENT

The City has determined that certain transactions related to connection fees in the Wastewater fund were recorded incorrectly as a capital asset in a prior year; the connection fees should have been recognized as an expenditure. As a result, in the Proprietary Fund Statement of Net Position, Noncurrent Assets were overstated. Therefore, the January 1, 2019 beginning net position has been restated at \$31,361,178 to reflect the correct presentation of this balance in the prior year.

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NOTE 10. PENDING GASB PRONOUNCEMENTS

As of December 31, 2019, The GASB had issued several statements not yet required to be implemented by the City. Management intends to adopt each Statement, if applicable, by the required date, and modify and expand financial statements and disclosures accordingly. The statements which might impact the City are as follows:

GASB Statement No. 87, Leases, will be effective for the City beginning with its fiscal year ending December 31, 2020, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments.

GASB Statement No. 91, Conduit Debt Obligations, will be effective for the City beginning with its fiscal year ending December 31, 2021, with earlier adoption encouraged. Statement No. 91 clarifies the existing definition of a conduit debt obligation, establishes that a conduit debt obligation is not a liability of the issuer, and establishes standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations.

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Required Supplementary Information

CITY OF BRIGHTON, COLORADO
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 17,098,800	\$ 17,098,800	\$ 20,058,299	\$ 2,959,499
Use	5,271,300	5,271,300	7,011,388	1,740,088
Property	2,745,200	2,745,200	2,713,072	(32,128)
Franchise	1,295,800	1,295,800	1,363,957	68,157
Other	526,000	526,000	18,386	(507,614)
Total Taxes	<u>26,937,100</u>	<u>26,937,100</u>	<u>31,165,102</u>	<u>4,228,002</u>
Licenses and Permits	1,124,500	1,124,500	2,359,441	1,234,941
Grants and Intergovernmental	2,591,600	2,716,600	3,475,931	759,331
Charges for Services	2,455,000	2,455,000	5,381,579	2,926,579
Fines and Forfeitures	460,400	460,400	499,292	38,892
Investment Earnings	293,000	293,000	789,229	496,229
Miscellaneous	1,281,600	1,324,240	3,376,575	2,052,335
Total Revenues	<u>35,143,200</u>	<u>35,310,840</u>	<u>47,047,149</u>	<u>11,736,309</u>
EXPENDITURES				
General Government	9,842,170	10,455,756	11,108,326	(652,570)
Public Safety	12,278,042	12,840,747	12,507,454	333,293
Streets and Fleet	3,474,887	3,481,641	3,310,929	170,712
Parks and Recreation	7,267,423	7,230,321	6,765,751	464,570
Community Development	2,451,019	2,544,161	2,424,221	119,940
Total Expenditures	<u>35,313,541</u>	<u>36,552,626</u>	<u>36,116,681</u>	<u>435,945</u>
Excess of Revenues Over Expenditures	<u>(170,341)</u>	<u>(1,241,786)</u>	<u>10,930,468</u>	<u>12,172,254</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	6,000	6,000	6,000	-
Transfers Out	(283,500)	(2,500,925)	(2,500,925)	-
Insurance Recoveries	-	-	636,728	636,728
Total Other Financing Sources (Uses)	<u>(277,500)</u>	<u>(2,494,925)</u>	<u>(1,858,197)</u>	<u>636,728</u>
Net Change in Fund Balance	<u>\$ (447,841)</u>	<u>\$ (3,736,711)</u>	<u>9,072,271</u>	<u>\$ 12,808,982</u>
Fund Balance--January 1			<u>25,207,769</u>	
Fund Balance--December 31			<u>\$ 34,280,040</u>	

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
DECEMBER 31, 2019

	2019	2018	2017	2016	2015
Employer's proportion of the net pension liability (asset)	0.80%	0.87%	0.92%	0.92%	0.89%
Employer's proportion of the net pension liability (asset)	\$ 1,010,168	\$ (1,257,827)	\$ 333,079	\$ (16,218)	\$ (934,282)
Employer's covered payroll	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067	\$ 3,613,646
Employer's proportion of the net pension liability (asset) as a percentage of its covered payroll	20.41%	-27.62%	8.17%	-0.40%	-25.85%
Plan fiduciary net position as a percentage of the total pension liability	95.20%	106.30%	98.21%	100.10%	106.80%

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

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER CONTRIBUTIONS*
DECEMBER 31, 2019

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$ 428,178	\$ 425,329	\$ 395,604	\$ 355,996	\$ 357,826	\$ 321,048
Contributions in relation to the statutorily required contribution	<u>428,178</u>	<u>425,329</u>	<u>395,604</u>	<u>355,996</u>	<u>357,826</u>	<u>321,048</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Employer's covered payroll	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067	\$ 3,613,646
Contributions as a percentage of covered payroll	8.25%	8.59%	8.69%	8.74%	8.80%	8.88%

Notes to the Required Supplementary Information

Changes of assumptions

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

Changes in benefits--There are no changes in benefits.

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

Supplementary Information

NONMAJOR GOVERNMENTAL FUNDS - DESCRIPTION

COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES

Special Revenue Funds

Landscaping – to account for developer contributions for maintaining the greenbelt on the perimeter of a newly built subdivision.

Lottery – to account for the monies received from Colorado Lottery sales which is earmarked for specific purposes by the state.

Cemetery – to account for the costs of maintaining the City's two cemeteries.

Highway – to account for the activities of an intergovernmental agreement with the Colorado Department of Transportation.

Lodging Tax – to account for the activities of the voter approved lodging tax.

Impact Fees – to account for the accumulation of development impact fees collected under Article 3-5 of the City's Municipal Code.

Permanent Fund

Cemetery Perpetual Care – to account for fees collected when lots are sold which are to be used for perpetual cemetery maintenance.

Capital Projects Fund

Parks and Recreation Capital Improvement Fund – to account for the City's parks and recreation capital projects which are financed by a 0.6% sales tax approved by voters in 1991, and intergovernmental revenues.

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2019

	SPECIAL REVENUE FUNDS						PERMANENT FUND	CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL CARE FUND	PARKS AND RECREATION CAPITAL FUND	
ASSETS									
Cash and Investments	\$ 156,351	\$ 790,223	\$ 193,269	\$ 790,173	\$ 344,636	\$ 11,302,704	\$ 1,788,762	\$ 12,179,349	\$ 27,545,467
Restricted Cash and Investments	-	-	-	-	-	-	-	63,520	63,520
Accounts Receivable	-	-	16,152	-	-	-	-	-	16,152
Taxes Receivable	-	-	-	-	21,441	-	-	889,617	911,058
Total Assets	<u>\$ 156,351</u>	<u>\$ 790,223</u>	<u>\$ 209,421</u>	<u>\$ 790,173</u>	<u>\$ 366,077</u>	<u>\$ 11,302,704</u>	<u>\$ 1,788,762</u>	<u>\$ 13,132,486</u>	<u>\$ 28,536,197</u>
LIABILITIES									
Accounts Payable	-	68,419	9,653	1,238	4,040	294,882	-	653,308	1,031,540
Retainage Payable	-	-	-	-	-	-	-	1,000	1,000
Accrued Wages Payable	-	-	1,638	-	-	-	-	-	1,638
Deposits and Escrows	112,190	-	19,000	-	-	700,406	-	3,329	834,925
Total Liabilities	<u>112,190</u>	<u>68,419</u>	<u>30,291</u>	<u>1,238</u>	<u>4,040</u>	<u>995,288</u>	<u>-</u>	<u>657,637</u>	<u>1,869,103</u>
FUND BALANCES									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	-	721,804	14,594	3,586	362,037	-	-	110,909	1,212,930
Committed	44,161	-	164,536	785,349	-	10,307,416	1,788,762	12,363,940	25,454,164
Total Fund Balances	<u>44,161</u>	<u>721,804</u>	<u>179,130</u>	<u>788,935</u>	<u>362,037</u>	<u>10,307,416</u>	<u>1,788,762</u>	<u>12,474,849</u>	<u>26,667,094</u>
Total Liabilities and Fund Balances	<u>\$ 156,351</u>	<u>\$ 790,223</u>	<u>\$ 209,421</u>	<u>\$ 790,173</u>	<u>\$ 366,077</u>	<u>\$ 11,302,704</u>	<u>\$ 1,788,762</u>	<u>\$ 13,132,486</u>	<u>\$ 28,536,197</u>

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	SPECIAL REVENUE FUNDS						PERMANENT FUND	CAPITAL PROJECTS FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL CARE FUND	PARKS AND RECREATION CAPITAL FUND	
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 436,503	\$ -	\$ -	\$ 4,181,319	\$ 4,617,822
Grants and Intergovernmental	-	435,013	-	-	-	-	-	1,562,382	1,997,395
Charges for Services	-	-	268,665	-	-	1,703,647	48,395	-	2,020,707
Investment Earnings	3,291	15,741	4,970	21,407	8,985	263,879	44,022	289,347	651,642
Miscellaneous/Other	-	-	13,948	-	-	-	-	104,566	118,514
Total Revenues	3,291	450,754	287,583	21,407	445,488	1,967,526	92,417	6,137,614	9,406,080
EXPENDITURES									
Current									
General Government	-	-	-	-	465,578	539,332	-	-	1,004,910
Cemetery	-	-	486,481	-	-	-	-	-	486,481
Debt Service									
Principal	-	-	-	-	-	-	-	149,148	149,148
Interest and Fees	-	-	-	-	-	-	-	1,040,565	1,040,565
Capital Outlay	-	105,854	-	119,541	-	-	-	2,485,408	2,710,803
Total Expenditures	-	105,854	486,481	119,541	465,578	539,332	-	3,675,121	5,391,907
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,291	344,900	(198,898)	(98,134)	(20,090)	1,428,194	92,417	2,462,493	4,014,173
OTHER FINANCING SOURCES (USES)									
Transfers In	-	420,425	283,500	-	-	-	1,000	546,925	1,251,850
Transfers Out	(6,000)	(344,000)	(1,000)	-	-	(194,000)	-	(420,425)	(965,425)
Total Other Financing Sources (Uses)	(6,000)	76,425	282,500	-	-	(194,000)	1,000	126,500	286,425
Net Change in Fund Balances	(2,709)	421,325	83,602	(98,134)	(20,090)	1,234,194	93,417	2,588,993	4,300,598
Fund Balances--January 1	46,870	300,479	95,528	887,069	382,127	9,073,222	1,695,345	9,885,856	22,366,496
Fund Balances--December 31	\$ 44,161	\$ 721,804	\$ 179,130	\$ 788,935	\$ 362,037	\$ 10,307,416	\$ 1,788,762	\$ 12,474,849	\$ 26,667,094

CITY OF BRIGHTON, COLORADO
LANDSCAPING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Investment Earnings	\$ 1,000	\$ 1,000	\$ 3,291	\$ 2,291
Total Revenues	<u>1,000</u>	<u>1,000</u>	<u>3,291</u>	<u>2,291</u>
 OTHER FINANCING USES				
Transfers Out	(6,000)	(6,000)	(6,000)	-
Total Other Financing Uses	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>-</u>
 Net Change in Fund Balance	<u>\$ (5,000)</u>	<u>\$ (5,000)</u>	(2,709)	<u>\$ 2,291</u>
 Fund Balance--January 1			<u>46,870</u>	
 Fund Balance--December 31			<u>\$ 44,161</u>	

CITY OF BRIGHTON, COLORADO
LOTTERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	\$ 377,000	\$ 377,000	\$ 435,013	\$ 58,013
Investment Earnings	4,000	4,000	15,741	11,741
Total Revenues	<u>381,000</u>	<u>381,000</u>	<u>450,754</u>	<u>69,754</u>
EXPENDITURES				
Capital Outlay	<u>764,425</u>	<u>764,425</u>	<u>105,854</u>	<u>658,571</u>
Total Expenditures	<u>764,425</u>	<u>764,425</u>	<u>105,854</u>	<u>658,571</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(383,425)</u>	<u>(383,425)</u>	<u>344,900</u>	<u>728,325</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	420,425	420,425	420,425	-
Transfers Out	<u>-</u>	<u>(344,000)</u>	<u>(344,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>420,425</u>	<u>76,425</u>	<u>76,425</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 37,000</u>	<u>\$ (307,000)</u>	421,325	<u>\$ 728,325</u>
Fund Balance--January 1			<u>300,479</u>	
Fund Balance--December 31			<u>\$ 721,804</u>	

CITY OF BRIGHTON, COLORADO
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 258,500	\$ 258,500	\$ 268,665	\$ 10,165
Investment Earnings	1,200	1,200	4,970	3,770
Miscellaneous	17,000	17,000	13,948	(3,052)
Total Revenues	<u>276,700</u>	<u>276,700</u>	<u>287,583</u>	<u>10,883</u>
EXPENDITURES				
Salaries and Wages	309,791	309,791	279,310	30,481
Contracted Services	223,288	223,288	189,778	33,510
Supplies and Materials	35,323	35,323	17,393	17,930
Total Expenditures	<u>568,402</u>	<u>568,402</u>	<u>486,481</u>	<u>81,921</u>
Deficiency of Revenues Under Expenditures	<u>(291,702)</u>	<u>(291,702)</u>	<u>(198,898)</u>	<u>92,804</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	283,500	283,500	283,500	-
Transfers Out	(1,000)	(1,000)	(1,000)	-
Total Other Financing Sources (Uses)	<u>282,500</u>	<u>282,500</u>	<u>282,500</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (9,202)</u>	<u>\$ (9,202)</u>	83,602	<u>\$ 92,804</u>
Fund Balance--January 1			<u>95,528</u>	
Fund Balance--December 31			<u>\$ 179,130</u>	

CITY OF BRIGHTON, COLORADO
HIGHWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Investment Earnings	\$ 5,500	\$ 5,500	\$ 21,407	\$ 15,907
Total Revenues	<u>5,500</u>	<u>5,500</u>	<u>21,407</u>	<u>15,907</u>
EXPENDITURES				
Miscellaneous	<u>120,000</u>	<u>120,000</u>	<u>119,541</u>	<u>459</u>
Total Expenditures	<u>120,000</u>	<u>120,000</u>	<u>119,541</u>	<u>459</u>
Deficiency of Revenues Under Expenditures	<u>(114,500)</u>	<u>(114,500)</u>	<u>(98,134)</u>	<u>16,366</u>
Net Change in Fund Balance	<u>\$ (114,500)</u>	<u>\$ (114,500)</u>	(98,134)	<u>\$ 16,366</u>
Fund Balance--January 1			<u>887,069</u>	
Fund Balance--December 31			<u>\$ 788,935</u>	

CITY OF BRIGHTON, COLORADO
LODGING TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Lodging Tax	\$ 411,000	\$ 411,000	\$ 436,503	\$ 25,503
Investment Earnings	4,000	4,000	8,985	4,985
Total Revenues	<u>415,000</u>	<u>415,000</u>	<u>445,488</u>	<u>30,488</u>
EXPENDITURES				
Salaries and Wages	88,658	88,658	88,658	-
Grants	377,500	377,500	376,920	580
Total Expenditures	<u>466,158</u>	<u>466,158</u>	<u>465,578</u>	<u>580</u>
Deficiency of Revenues Under Expenditures	<u>(51,158)</u>	<u>(51,158)</u>	<u>(20,090)</u>	<u>31,068</u>
Net Change in Fund Balance	<u>\$ (51,158)</u>	<u>\$ (51,158)</u>	<u>(20,090)</u>	<u>\$ 31,068</u>
Fund Balance--January 1			<u>382,127</u>	
Fund Balance--December 31			<u>\$ 362,037</u>	

CITY OF BRIGHTON, COLORADO
IMPACT FEES FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE--BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 1,187,000	\$ 1,187,000	\$ 1,703,647	\$ 516,647
Investment Earnings	74,700	74,700	263,879	189,179
Total Revenues	<u>1,261,700</u>	<u>1,261,700</u>	<u>1,967,526</u>	<u>705,826</u>
EXPENDITURES				
Developer Reimbursements	<u>1,200,000</u>	<u>1,200,000</u>	<u>539,332</u>	<u>660,668</u>
Total Expenditures	<u>1,200,000</u>	<u>1,200,000</u>	<u>539,332</u>	<u>660,668</u>
Excess of Revenues Over Expenditures	<u>61,700</u>	<u>61,700</u>	<u>1,428,194</u>	<u>1,366,494</u>
OTHER FINANCING USES				
Transfers Out	<u>(194,000)</u>	<u>(194,000)</u>	<u>(194,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(194,000)</u>	<u>(194,000)</u>	<u>(194,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (132,300)</u>	<u>\$ (132,300)</u>	<u>1,234,194</u>	<u>\$ 1,366,494</u>
Fund Balance--January 1			<u>9,073,222</u>	
Fund Balance--December 31			<u>\$ 10,307,416</u>	

CITY OF BRIGHTON, COLORADO
CEMETERY PERPETUAL CARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Charges for Services	\$ 60,000	\$ 60,000	\$ 48,395	\$ (11,605)
Investment Earnings	12,500	12,500	44,022	31,522
Total Revenues	<u>72,500</u>	<u>72,500</u>	<u>92,417</u>	<u>19,917</u>
OTHER FINANCING SOURCES				
Transfers In	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 73,500</u>	<u>\$ 73,500</u>	93,417	<u>\$ 19,917</u>
Fund Balance--January 1			<u>1,695,345</u>	
Fund Balance--December 31			<u>\$ 1,788,762</u>	

CITY OF BRIGHTON, COLORADO
PARKS AND RECREATION CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Sales Taxes	\$ 3,916,600	\$ 3,916,600	\$ 4,181,319	\$ 264,719
Grants and Intergovernmental	826,925	971,835	1,562,382	590,547
Investment Earnings	77,300	77,300	289,347	212,047
Miscellaneous	86,000	86,000	104,566	18,566
Total Revenues	<u>4,906,825</u>	<u>5,051,735</u>	<u>6,137,614</u>	<u>1,085,879</u>
EXPENDITURES				
Capital Outlay	7,564,545	8,308,380	2,485,408	5,822,972
Debt Service				
Principal	149,145	149,145	149,148	(3)
Interest	1,038,314	1,038,314	1,038,315	(1)
Bond Fees	2,250	2,250	2,250	-
Total Expenditures	<u>8,754,254</u>	<u>9,498,089</u>	<u>3,675,121</u>	<u>5,822,968</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,847,429)	(4,446,354)	2,462,493	6,908,847
OTHER FINANCING SOURCES (USES)				
Transfers In	194,000	546,925	546,925	-
Transfers Out	(420,425)	(420,425)	(420,425)	-
Total Other Financing Sources (Uses)	<u>(226,425)</u>	<u>126,500</u>	<u>126,500</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (4,073,854)</u>	<u>\$ (4,319,854)</u>	2,588,993	<u>\$ 6,908,847</u>
Fund Balance--January 1			<u>9,885,856</u>	
Fund Balance-December 31			<u>\$ 12,474,849</u>	

CITY OF BRIGHTON, COLORADO
CAPITAL IMPROVEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 6,503,100	\$ 6,503,100	\$ 5,527,055	\$ (976,045)
Franchise	330,000	330,000	332,334	2,334
Other	32,000	32,000	31,347	(653)
Total Taxes	6,865,100	6,865,100	5,890,736	(974,364)
Grants and Intergovernmental	1,507,000	1,507,000	1,594,093	87,093
Investment Earnings	93,000	93,000	444,537	351,537
Miscellaneous	-	95,000	255,487	160,487
Total Revenues	8,465,100	8,560,100	8,184,853	(375,247)
EXPENDITURES				
Capital Outlay				-
General Government	4,294,000	4,294,000	3,073,171	1,220,829
Public Safety	741,000	741,000	617,413	123,587
Streets and Fleet	7,164,791	8,860,791	4,668,689	4,192,102
Parks and Recreation	60,000	60,000	52,826	7,174
Cemetery	252,325	252,325	52,102	200,223
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	1,327,693	1,327,692	1,327,692	-
Interest	599,269	599,268	599,268	-
Loan Fees	1,500	1,500	1,500	-
Total Expenditures	14,640,578	16,336,576	10,392,661	5,943,915
Deficiency of Revenues Under Expenditures	(6,175,478)	(7,776,476)	(2,207,808)	5,568,668
OTHER FINANCING SOURCES				
Transfers In	-	1,601,000	1,601,000	-
Total Other Financing Sources	-	1,601,000	1,601,000	-
Net Change in Fund Balance	\$ (6,175,478)	\$ (6,175,476)	(606,808)	\$ 5,568,668
Fund Balance--January 1			15,780,279	
Fund Balance--December 31			\$ 15,173,471	

CITY OF BRIGHTON, COLORADO
WATER FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION --
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 15,796,000	\$ 15,796,000	\$ 13,030,420	\$ (2,765,580)
Tap Fees	90,000	90,000	115,488	25,488
Miscellaneous	117,000	137,000	215,010	78,010
Total Operating Revenues	<u>16,003,000</u>	<u>16,023,000</u>	<u>13,360,918</u>	<u>(2,662,082)</u>
OPERATING EXPENSES				
Operations	10,086,064	10,090,755	9,758,696	332,059
Administration	1,738,059	1,738,059	2,330,622	(592,563)
Principal	902,829	902,829	932,834	(30,005)
Interest Expense and Fees	799,501	799,501	694,129	105,372
Total Operating Expenses	<u>13,526,453</u>	<u>13,531,144</u>	<u>13,716,281</u>	<u>(185,137)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	351,000	351,000	1,011,485	660,485
Capital Outlay	(27,179,359)	(27,601,589)	(5,240,088)	22,361,501
Grants	700,000	700,000	218,850	(481,150)
Sales of Capital Assets	-	-	24,300	24,300
Budget Reserves	(100,000)	(100,000)	-	100,000
Total Nonoperating Expenses	<u>(26,228,359)</u>	<u>(26,650,589)</u>	<u>(3,985,453)</u>	<u>22,665,136</u>
Loss Before Capital Contributions and Transfers	(23,751,812)	(24,158,733)	(4,340,816)	19,817,917
Transfers In	-	391,230	391,230	-
Capital Contributions	<u>4,877,000</u>	<u>4,877,000</u>	<u>8,690,198</u>	<u>3,813,198</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (18,874,812)</u>	<u>\$ (18,890,503)</u>	4,740,612	<u>\$ 23,631,115</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			5,240,088	
Long Term Debt Adjustments			932,834	
Depreciation			<u>(5,074,856)</u>	
Change in Net Position, GAAP Basis			5,838,678	
Net Position--January 1			<u>124,211,951</u>	
Net Position--December 31			<u>\$ 130,050,629</u>	

CITY OF BRIGHTON, COLORADO
WASTE WATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 7,965,000	\$ 7,965,000	\$ 8,158,824	\$ 193,824
Miscellaneous	25,000	25,000	39,818	14,818
Total Operating Revenues	<u>7,990,000</u>	<u>7,990,000</u>	<u>8,198,642</u>	<u>208,642</u>
OPERATING EXPENSES				
Operations	7,406,985	7,406,985	4,621,965	2,785,020
Administration	1,302,494	1,304,116	1,179,873	124,243
Principal	223,152	223,152	226,729	(3,577)
Interest Expense and Fees	228,650	228,650	222,623	6,027
Total Operating Expenses	<u>9,161,281</u>	<u>9,162,903</u>	<u>6,251,190</u>	<u>2,911,713</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	150,050	150,050	524,196	374,146
Capital Outlay	(2,560,352)	(2,726,200)	(703,624)	2,022,576
Sales of Capital Assets	-	-	11,500	11,500
Budget Reserves	<u>(100,000)</u>	<u>(100,000)</u>	<u>-</u>	<u>100,000</u>
Total Nonoperating Expenses	<u>(2,510,302)</u>	<u>(2,676,150)</u>	<u>(167,928)</u>	<u>2,508,222</u>
Income (Loss) Before Capital Contributions and Transfers	(3,681,583)	(3,849,053)	1,779,524	(194,849)
Transfers In	-	165,848	165,848	-
Capital Contributions	<u>2,390,000</u>	<u>2,390,000</u>	<u>1,093,102</u>	<u>(1,296,898)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (1,291,583)</u>	<u>\$ (1,293,205)</u>	3,038,474	<u>\$ (1,491,747)</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			703,624	
Long Term Debt Adjustments			226,729	
Depreciation			<u>(1,567,629)</u>	
Change in Net Position, GAAP Basis			2,401,198	
Net Position--January 1, restated			<u>31,361,178</u>	
Net Position--December 31			<u>\$ 33,762,376</u>	

CITY OF BRIGHTON, COLORADO
STORM DRAINAGE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL (NON US GAAP BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 765,500	\$ 765,500	\$ 862,209	\$ 96,709
Miscellaneous	10,000	10,000	54,682	44,682
Total Operating Revenues	<u>775,500</u>	<u>775,500</u>	<u>916,891</u>	<u>141,391</u>
OPERATING EXPENSES				
Operations	536,626	536,626	384,432	152,194
Administration	224,004	224,004	230,657	(6,653)
Total Operating Expenses	<u>760,630</u>	<u>760,630</u>	<u>615,089</u>	<u>145,541</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	50,000	50,000	146,961	96,961
Capital Outlay	(1,689,582)	(1,740,004)	(1,018,762)	721,242
Developer Reimbursements	(450,000)	(450,000)	(713,157)	(263,157)
Sale of Capital Assets	-	-	5,888	5,888
Budget Reserves	(100,000)	(100,000)	-	100,000
Total Nonoperating Expenses	<u>(2,189,582)</u>	<u>(2,240,004)</u>	<u>(1,579,070)</u>	<u>660,934</u>
Loss Before Capital Contributions and Transfers	(2,174,712)	(2,225,134)	(1,277,268)	947,866
Transfers In	-	50,422	50,422	-
Capital Contributions	<u>1,100,000</u>	<u>1,100,000</u>	<u>2,119,454</u>	<u>1,019,454</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (1,074,712)</u>	<u>\$ (1,074,712)</u>	892,608	<u>\$ 1,967,320</u>
ADJUSTMENTS TO US GAAP BASIS				
Depreciation			(941,264)	
Capitalized Assets			<u>1,018,762</u>	
Change in Net Position, GAAP Basis			970,106	
Net Position--January 1			<u>19,991,789</u>	
Net Position--December 31			<u>\$ 20,961,895</u>	

INTERNAL SERVICE FUNDS - DESCRIPTION
COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES

Internal service funds are established to finance and account for services and/or commodities required by other funds.

Benefits Internal Service Fund- to account for designated employee benefits provided to all departments of the City.

Fleet Internal Service Fund- to account for centralized maintenance of city-owned vehicles. Operations are funded by charges to user departments.

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2019

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
CURRENT ASSETS			
Cash and Investments	\$ 3,056,527	\$ 136,758	\$ 3,193,285
Restricted Cash and Investments	87,224	-	87,224
Accounts Receivable	-	2,119	2,119
Inventories	-	53,600	53,600
Total Current Assets	<u>3,143,751</u>	<u>192,477</u>	<u>3,336,228</u>
LIABILITIES			
Accounts Payable	2,342	19,331	21,673
Accrued Wages Payable	-	3,569	3,569
Estimated Unpaid Claims	265,095	-	265,095
Total Liabilities	<u>267,437</u>	<u>22,900</u>	<u>290,337</u>
NET POSITION			
Unrestricted	2,876,314	169,577	3,045,891
Total Net Position	<u>\$ 2,876,314</u>	<u>\$ 169,577</u>	<u>\$ 3,045,891</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2019

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 5,154,544	\$ 658,910	\$ 5,813,454
Miscellaneous	7,601	-	7,601
Total Operating Revenues	<u>5,162,145</u>	<u>658,910</u>	<u>5,821,055</u>
OPERATING EXPENSES			
Insurance Claims	3,127,584	-	3,127,584
Insurance Premiums	1,006,618	-	1,006,618
Professional Services	415,535	-	415,535
Administration	-	439,774	439,774
Vehicle Repairs	-	288,783	288,783
Vehicle Fuel	-	261,538	261,538
Miscellaneous	9,282	-	9,282
Total Operating Expenses	<u>4,559,019</u>	<u>990,095</u>	<u>5,549,114</u>
Operating Income	603,126	(331,185)	271,941
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	21,829	6,770	28,599
Sale of Assets	-	33,400	33,400
Nonoperating Income	<u>21,829</u>	<u>40,170</u>	<u>61,999</u>
Change in net position	<u>624,955</u>	<u>(291,015)</u>	<u>333,940</u>
Net Position--January 1	<u>2,251,359</u>	<u>460,592</u>	<u>2,711,951</u>
Net Postion--December 31	<u>\$ 2,876,314</u>	<u>\$ 169,577</u>	<u>\$ 3,045,891</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2019

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From Customers	\$ 5,256,813	662,509	\$ 5,919,322
Other Receipts	7,601	-	7,601
Payments to Employees For Salaries and Benefits	(4,514,484)	(464,295)	(4,978,779)
Payments to Suppliers and Service Providers	-	(448,267)	(448,267)
Net Cash Provided By Operating Activities	<u>749,930</u>	<u>(250,053)</u>	<u>499,877</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds on Sale of Capital Assets	-	33,400	33,400
Net Cash Provided By Capital and Related Financing Activities	<u>-</u>	<u>33,400</u>	<u>33,400</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment Earnings	21,829	6,770	28,599
Net Cash Provided By Investing Activities	<u>21,829</u>	<u>6,770</u>	<u>28,599</u>
Net Increase (Decrease) in Cash and Cash Equivalents	771,759	(209,883)	561,876
Cash and Cash Equivalents--January 1	2,371,992	346,641	2,718,633
Cash and Cash Equivalents--December 31	<u><u>\$ 3,143,751</u></u>	<u><u>\$ 136,758</u></u>	<u><u>\$ 3,280,509</u></u>
Pooled Cash and Cash Equivalents	3,056,527	136,758	3,193,285
Restricted Cash and Cash Equivalents	87,224	-	87,224
Total Cash and Cash Equivalents	<u><u>\$ 3,143,751</u></u>	<u><u>\$ 136,758</u></u>	<u><u>\$ 3,280,509</u></u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Income	\$ 603,126	\$ (331,185)	\$ 271,941
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	102,269	3,599	105,868
Decrease in Inventories	-	76,515	76,515
Decrease in Prepaids	41,168	-	41,168
Increase (Decrease) in Accounts Payable	(5,728)	9,511	3,783
(Decrease) in Accrued Wages Payable	-	(8,493)	(8,493)
Increase in Unpaid Claims	9,095	-	9,095
Total Adjustments	<u>146,804</u>	<u>81,132</u>	<u>227,936</u>
Net Cash Provided by Operating Activities	<u><u>\$ 749,930</u></u>	<u><u>\$ (250,053)</u></u>	<u><u>\$ 499,877</u></u>

CITY OF BRIGHTON, COLORADO
BENEFITS INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 5,227,903	\$ 5,227,903	\$ 5,154,544	\$ (73,359)
Miscellaneous	10,000	10,000	7,601	(2,399)
Total Operating Revenues	<u>5,237,903</u>	<u>5,237,903</u>	<u>5,162,145</u>	<u>(75,758)</u>
OPERATING EXPENSES				
Insurance Claims	3,797,200	3,797,200	3,127,584	669,616
Insurance Premiums	866,000	866,000	1,006,618	(140,618)
Professional Services	320,400	320,400	415,535	(95,135)
Miscellaneous	41,800	41,800	9,282	32,518
Total Operating Expenses	<u>5,025,400</u>	<u>5,025,400</u>	<u>4,559,019</u>	<u>466,381</u>
Operating Income	<u>212,503</u>	<u>212,503</u>	<u>603,126</u>	<u>390,623</u>
NONOPERATING REVENUES				
Investment Earnings	9,100	9,100	21,829	12,729
Total Nonoperating Revenues	<u>9,100</u>	<u>9,100</u>	<u>21,829</u>	<u>12,729</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 221,603</u>	<u>\$ 221,603</u>	624,955	<u>\$ 403,352</u>
Net Position--January 1			<u>2,251,359</u>	
Net Position--December 31			<u>\$ 2,876,314</u>	

CITY OF BRIGHTON, COLORADO
FLEET INTERNAL SERVICE FUND
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 1,093,497	\$ 1,093,497	\$ 658,910	\$ (434,587)
Total Operating Revenues	<u>1,093,497</u>	<u>1,093,497</u>	<u>658,910</u>	<u>(434,587)</u>
OPERATING EXPENSES				
Administration	446,711	448,197	439,774	8,423
Vehicle Repairs	316,691	316,691	288,783	27,908
Vehicle Fuel	278,737	278,737	261,538	17,199
Total Operating Expenses	<u>1,042,139</u>	<u>1,043,625</u>	<u>990,095</u>	<u>53,530</u>
Operating Income	<u>51,358</u>	<u>49,872</u>	<u>(331,185)</u>	<u>(381,057)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	1,000	1,000	6,770	5,770
Sale of Assets	90,000	90,000	33,400	(56,600)
Nonoperating Income	<u>91,000</u>	<u>91,000</u>	<u>40,170</u>	<u>(50,830)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ 142,358</u>	<u>\$ 140,872</u>	(291,015)	<u>\$ (431,887)</u>
Net Position--January 1			<u>460,592</u>	
Net Position--December 31			<u>\$ 169,577</u>	

BRIGHTON URBAN RENEWAL AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE WITH FINAL BUDGET</u>
REVENUES				
Taxes				
Sales Tax	\$ 795,000	\$ 1,077,000	\$ 1,231,524	\$ 154,524
Property	4,262,200	4,262,200	4,372,658	110,458
Total Taxes	5,057,200	5,339,200	5,604,182	264,982
Charges For Services	80,000	80,000	87,301	7,301
Miscellaneous	-	-	1,508	1,508
Grants	75,000	75,000	80,000	5,000
Investment Earnings	16,550	16,550	175,879	159,329
Total Revenues	<u>5,228,750</u>	<u>5,510,750</u>	<u>5,948,870</u>	<u>438,120</u>
EXPENDITURES				
Current				
Personal Services	307,661	307,661	314,628	(6,967)
Purchased Services	183,000	183,000	207,531	(24,531)
Operating Expenses	267,704	267,704	144,017	123,687
Capital Outlay	544,500	544,500	61,289	483,211
Tax Rebates	2,971,450	3,253,450	3,652,827	(399,377)
Total Current	<u>4,274,315</u>	<u>4,556,315</u>	<u>4,380,292</u>	<u>176,023</u>
Debt Service				
Principal	795,000	795,000	795,000	-
Interest	288,750	288,750	288,750	-
Loan Fee	2,000	2,000	2,000	-
Total Debt Service	<u>1,085,750</u>	<u>1,085,750</u>	<u>1,085,750</u>	<u>-</u>
Total Expenditures	<u>5,360,065</u>	<u>5,642,065</u>	<u>5,466,042</u>	<u>176,023</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(131,315)</u>	<u>(131,315)</u>	<u>482,828</u>	<u>614,143</u>
Net Change in Fund Balance	<u>\$ (131,315)</u>	<u>\$ (131,315)</u>	<u>482,828</u>	<u>\$ 614,143</u>
Fund Balances--January 1			<u>4,678,513</u>	
Fund Balances--December 31			<u>\$ 5,161,341</u>	

BRIGHTON CULTURAL ARTS COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2019

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	\$ 206,085	\$ 206,085	\$ 190,387	\$ (15,698)
Charges For Services	300	300	470	170
Investment Earnings	3,456	3,456	5,750	2,294
Total Revenues	<u>209,841</u>	<u>209,841</u>	<u>196,607</u>	<u>(13,234)</u>
EXPENDITURES				
Grants and Awards	150,000	150,000	121,746	28,254
Operating Expenses	<u>56,685</u>	<u>56,685</u>	<u>67,163</u>	<u>(10,478)</u>
Total Expenditures	<u>206,685</u>	<u>206,685</u>	<u>188,909</u>	<u>17,776</u>
Excess of Revenues Over Expenditures	3,156	3,156	7,698	4,542
Net Change in Fund Balance	<u>\$ 3,156</u>	<u>\$ 3,156</u>	<u>7,698</u>	<u>\$ 4,542</u>
Fund Balance--January 1			<u>125,235</u>	
Fund Balance--December 31			<u>\$ 132,933</u>	

Statistical Section

CITY OF BRIGHTON, COLORADO
STATISTICAL SECTION
DECEMBER 31, 2019

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This part of the City of Brighton comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the governments overall financial health.

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year and/or city departments.

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net Investment in capital assets	\$ 65,761	\$ 84,567	\$ 88,732	\$ 88,599	\$ 87,903	\$ 90,489	\$ 86,601	\$ 94,990	\$ 98,819	\$ 102,396
Restricted	7,721	7,379	26,050	12,544	12,720	15,869	26,569	26,575	25,486	16,325
Unrestricted	19,470	19,787	1,950	18,920	23,641	25,707	32,960	32,961	43,836	65,700
Total governmental activities net position	<u>\$ 92,952</u>	<u>\$ 111,733</u>	<u>\$ 116,732</u>	<u>\$ 120,063</u>	<u>\$ 124,264</u>	<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	\$ 87,297	\$ 91,641	\$ 99,217	\$ 97,800	\$ 95,536	\$ 98,864	\$102,032	\$ 110,314	\$126,259	\$ 114,966
Restricted	-	-	-	-	-	-	-	-	190	155
Unrestricted	42,574	46,752	40,850	46,551	52,342	57,016	61,261	65,549	61,461	69,654
Total business-type activities net position	<u>\$ 129,871</u>	<u>\$ 138,393</u>	<u>\$ 140,067</u>	<u>\$ 144,351</u>	<u>\$ 147,878</u>	<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	\$ 153,058	\$ 176,208	\$ 187,949	\$ 186,399	\$ 183,439	\$ 189,353	\$ 188,633	\$ 205,304	\$ 225,078	\$ 217,362
Restricted	7,721	7,379	26,050	12,544	12,720	15,869	26,569	26,575	25,676	16,480
Unrestricted	62,044	66,539	42,800	65,471	75,983	82,723	94,221	98,510	105,297	135,354
Total primary government net position	<u>\$ 222,823</u>	<u>\$ 250,126</u>	<u>\$ 256,799</u>	<u>\$ 264,414</u>	<u>\$ 272,142</u>	<u>\$ 287,945</u>	<u>\$ 309,423</u>	<u>\$ 330,389</u>	<u>\$ 356,051</u>	<u>\$ 369,196</u>

SOURCE: Current and prior year's financial statements

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General Government	\$ 7,874	\$ 9,327	\$ 8,754	\$ 8,512	\$ 10,552	\$ 10,649	\$ 11,035	\$ 11,550	\$ 11,337	\$ 16,251
Public Safety	5,947	5,891	7,670	7,985	8,650	9,494	10,649	12,642	11,362	12,866
Streets and Fleet	4,906	5,315	2,108	8,503	7,057	8,842	9,289	11,869	10,275	11,546
Parks and Recreation	3,301	4,831	4,950	6,242	7,633	7,924	8,024	9,296	9,458	9,080
Cemetery	283	495	336	377	313	380	456	515	581	506
Community Development	926	881	1,203	1,362	1,441	1,903	1,941	2,407	3,107	2,416
Interest on long-term debt	1,164	1,790	1,693	1,652	1,765	1,594	1,658	1,909	1,710	1,661
Total governmental activities expenses	24,401	28,530	26,714	34,633	37,411	40,786	43,052	50,188	47,830	54,326
Business-type Activities:										
Water	8,108	9,849	11,702	11,410	11,762	11,768	13,305	13,979	14,750	17,858
Waste Water	4,001	4,386	4,493	4,449	4,627	4,756	5,209	9,837	6,501	7,592
Storm Drainage	437	898	2,766	1,140	971	1,011	1,153	1,778	1,708	2,270
Total business-type activities expenses	12,546	15,133	18,961	16,999	17,360	17,535	19,667	25,594	22,959	27,720
Total primary governmental expenses	36,947	43,663	45,675	51,632	54,771	58,321	62,719	75,782	70,789	82,046
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	202	166	727	809	925	682	729	1,465	870	3,046
Public Safety	646	539	662	622	638	164	247	208	614	731
Streets and Fleet	139	122	343	666	463	454	509	1,121	1,379	1,704
Parks and Recreation	939	1,220	1,551	1,539	1,833	1,522	1,696	2,245	1,526	1,338
Cemetery	238	220	251	306	262	254	397	412	347	317
Community Development	702	598	470	1,910	801	1,271	1,239	1,353	2,650	3,125
Operating grants and contributions	1,376	1,535	1,629	1,595	5,276	2,355	3,376	5,361	2,712	3,425
Capital grants and contributions	4,020	19,040	2,543	4,901	1,920	8,556	5,527	12,709	7,730	9,519
Total governmental activity revenues	8,262	23,440	8,176	12,348	12,118	15,258	13,720	24,874	17,828	23,205
Business-type activities:										
Charges for services:										
Water	6,709	6,982	8,794	8,244	8,820	10,023	11,664	14,261	14,028	13,030
Waste Water	3,556	3,835	4,926	4,839	5,690	4,993	6,843	7,435	7,960	8,159
Storm Drainage	286	229	420	843	595	507	613	733	816	862
Operating grants and contributions	-	-	-	-	-	-	-	-	107	115
Capital grants and contributions	2,830	11,966	4,140	6,636	5,388	9,651	7,016	15,081	10,730	11,903
Total business-type activities revenues	13,381	23,012	18,280	20,562	20,493	25,174	26,136	37,510	33,641	34,069
Total primary government revenues	21,643	46,452	26,456	32,910	32,611	40,432	39,856	62,384	51,469	57,274
Net (Expense)/Revenue										
Governmental activities	(16,140)	(5,090)	(18,538)	(22,285)	(25,293)	(25,528)	(29,332)	(25,314)	(30,002)	(31,121)
Business-type activities	835	7,879	(681)	3,563	3,133	7,639	6,469	11,916	10,682	6,349
Total primary government net (expense)/revenue	(15,305)	2,789	(19,219)	(18,722)	(22,160)	(17,889)	(22,863)	(13,398)	(19,320)	(24,772)
General Revenues and Changes in Net Position										
Governmental activities:										
Taxes	20,262	21,367	22,950	25,142	28,812	30,668	42,086	33,183	38,084	41,674
Unrestricted grants and contributions	194	982	301	269	-	-	-	-	-	-
Investment earnings	239	149	67	1	551	1,072	684	522	1,166	1,914
Sale of capital assets	-	-	-	-	-	-	-	-	120	33
Miscellaneous	406	1,374	278	208	156	508	628	5	2,653	4,387
Transfers	(5)	-	(59)	(4)	(25)	-	-	-	-	(607)
Total governmental activities	21,096	23,872	23,537	25,616	29,494	32,248	43,398	33,710	42,023	47,401
Business-type activities:										
Investment income	153	201	257	140	138	267	510	431	931	1,683
Sale of capital assets	-	-	-	-	-	-	-	-	-	42
Miscellaneous	806	441	2,039	577	232	95	434	223	435	528
Transfers	5	-	59	4	25	-	-	-	-	607
Total business-type activities	964	642	2,355	721	395	362	944	654	1,366	2,860
Total primary government	22,060	24,514	25,892	26,337	29,889	32,610	44,342	34,364	43,389	50,261
Changes in Net Position										
Governmental activities	4,957	18,782	4,999	3,331	4,201	6,720	14,065	8,396	12,021	16,280
Business-type activities	1,799	8,521	1,674	4,284	3,527	8,001	7,413	12,570	12,048	9,209
Total primary government	\$ 6,756	\$ 27,303	\$ 6,673	\$ 7,615	\$ 7,728	\$ 14,721	\$ 21,478	\$ 20,966	\$ 24,069	\$ 25,489

SOURCE: Current and prior year's financial statements

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General Fund										
Nonspendable	\$ 347	\$ 408	\$ 421	\$ 205	\$ 254	\$ 100	\$ 179	\$ 148	\$ 23	\$ 197
Restricted	910	574	630	669	742	833	1,408	1,478	1,532	1,579
Committed	-	5,649	5,846	6,923	7,784	7,878	10,229	11,333	10,956	14,402
Assigned	-	18	18	18	546	1,661	2,337	3,630	3,630	-
Unassigned	<u>5,494</u>	<u>1,259</u>	<u>1,953</u>	<u>2,961</u>	<u>3,213</u>	<u>2,074</u>	<u>4,934</u>	<u>3,408</u>	<u>9,067</u>	<u>18,102</u>
Total General Fund	<u>\$ 6,751</u>	<u>\$ 7,908</u>	<u>\$ 8,868</u>	<u>\$ 10,776</u>	<u>\$ 12,539</u>	<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	\$ 25	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -
Restricted	2,641	2,126	2,072	1,577	11,978	15,035	24,982	25,097	23,357	1,656
Committed	626	896	997	1,598	11,759	11,252	10,212	11,698	14,769	15,413
Assigned	<u>30,137</u>	<u>5,401</u>	<u>5,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,772</u>
Total all other governmental funds	<u>\$ 33,429</u>	<u>\$ 8,423</u>	<u>\$ 8,749</u>	<u>\$ 3,175</u>	<u>\$ 23,737</u>	<u>\$ 26,287</u>	<u>\$ 35,194</u>	<u>\$ 36,795</u>	<u>\$ 38,146</u>	<u>\$ 41,841</u>

SOURCE: Current and prior year's financial statements

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Revenues by Source										
Taxes	\$ 20,262	\$ 21,367	\$ 22,951	\$ 25,142	\$ 28,331	\$ 30,030	\$ 41,185	\$ 33,074	\$ 38,085	\$ 41,674
Licenses, fees and permits	507	428	430	1,244	659	1,004	966	1,053	2,158	2,359
Grants & Intergovernmental	5,477	6,523	4,444	4,528	6,861	5,112	6,754	8,053	6,048	7,068
Charges for services	1,879	1,910	2,253	3,272	3,010	2,863	3,259	4,327	4,722	7,402
Fines and forfeitures	479	446	541	484	421	462	449	437	404	499
Investment income	239	149	66	1	551	1,072	684	513	1,139	1,885
Miscellaneous	406	1,454	1,088	1,090	1,533	2,386	2,071	4,200	3,003	3,751
Total revenues	29,249	32,277	31,773	35,761	41,366	42,929	55,368	51,657	55,559	64,638
Expenditures by Function										
General Government	10,332	8,325	7,053	7,782	9,459	9,454	10,302	10,820	10,588	11,108
Public Safety	5,481	5,555	7,330	7,504	8,167	9,048	10,185	10,544	11,725	12,507
Streets and Fleet	3,054	2,264	2,650	3,086	2,509	2,948	3,076	3,445	3,212	3,311
Parks and Recreation	2,958	3,320	4,331	4,590	5,199	4,907	5,155	6,134	6,945	6,766
Cemetery	289	256	303	334	272	331	417	454	518	486
Community Development	920	877	1,198	1,360	1,441	1,901	1,941	2,436	3,145	2,424
Capital Outlay	4,821	21,489	5,483	3,395	7,271	6,334	12,518	14,111	9,786	12,181
Debt Service-Principal	1,836	1,162	1,090	1,135	1,170	1,225	805	1,097	1,430	1,477
Debt Service-Interest	1,077	1,790	1,693	1,684	1,639	1,594	1,629	1,759	1,691	1,641
Total expenditures	31,805	45,038	31,131	30,870	37,127	37,742	46,028	50,800	49,040	51,901
Excess (deficiency) of revenues over (under) expenditures	(2,556)	(12,761)	642	4,891	4,239	5,187	9,340	857	6,519	12,737
Other Financing Sources (Uses)										
Bond Proceeds	26,565	-	-	-	-	-	-	-	-	-
Bond Premium	159	-	-	-	-	-	-	-	-	-
Payments to Escrow Agent	(5,564)	-	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-	-	-	6,115	1,608	19	-
Dev. Contrib/Insurance Recoveries	-	-	-	-	-	-	-	102	-	636
Transfers in	3,240	595	143	1,699	616	802	2,308	1,615	1,250	2,859
Transfers out	(3,245)	(595)	(203)	(2,129)	(1,041)	(3,432)	(2,315)	(1,671)	(1,226)	(3,466)
Total other financing sources (uses)	21,155	-	(60)	(430)	(425)	(2,630)	6,108	1,654	43	29
Net change in fund balances	\$ 18,599	\$ (12,761)	\$ 582	\$ 4,461	\$ 3,814	\$ 2,557	\$ 15,448	\$ 2,511	\$ 6,562	\$ 12,766
Debt service as a percentage of noncapital expenditures	10.80%	12.54%	10.85%	10.26%	9.41%	8.98%	7.26%	7.78%	7.95%	7.85%

SOURCE: Current and prior year's financial statements

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

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
General merchandise	\$ 5,111	\$ 5,094	\$ 6,123	\$ 6,825	\$ 7,280	\$ 7,335	\$ 6,760	\$ 6,775	\$ 8,368	\$ 8,323
Food stores	2,073	2,206	2,807	2,896	3,416	4,089	4,737	5,394	5,352	5,486
Eating and drinking establishments	1,499	1,612	2,116	2,252	2,462	2,568	2,810	2,808	3,458	3,724
Building materials/home improvements	1,319	1,278	1,814	2,860	3,415	2,774	21,410	3,347	4,414	4,348
Auto dealers/repairs/supplies	889	994	1,320	1,477	1,687	2,067	2,207	2,222	2,492	2,667
Utilities	1,904	1,959	2,213	2,319	2,576	2,399	2,591	2,695	2,667	2,686
All other categories	2,797	3,202	639	956	1,297	1,285	1,354	1,895	685	2,533
Total	<u>\$15,592</u>	<u>\$16,345</u>	<u>\$17,032</u>	<u>\$19,585</u>	<u>\$22,133</u>	<u>\$22,517</u>	<u>\$41,869</u>	<u>\$ 25,136</u>	<u>\$ 27,436</u>	<u>\$29,767</u>
City direct sales tax rate	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>	<u>3.75%</u>

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

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

Table 6. Direct and Overlapping Sales Tax Rates

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
City of Brighton	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%
State of Colorado	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%	2.90%
Adams County	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%	0.75%
Rapid Transit District (RTD)	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
Scientific and Cultural Facilities District (SCFD)	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Football Stadium District	0.10%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Total direct and overlapping sales tax rates	<u>8.60%</u>	<u>8.60%</u>	<u>8.50%</u>	<u>8.50%</u>	<u>8.50%</u>	<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

NOTE: The Metro Football Stadium District Sales Tax was eliminated in 2012.

Table 7. Sales Tax Revenue Information

	Fiscal Year 2010		Fiscal Year 2019	
	Sales Tax Revenue	Percentage of Total	Sales Tax Revenue	Percentage of Total
Sales Tax Revenue--Top Ten Remitters				
General Merchandise	\$ 4,379,571	28%	\$ 5,465,000	18%
Food Stores	1,714,515	11%	3,377,183	11%
Automotive			831,681	3%
Utilities	1,092,541	7%	2,042,315	7%
Building Materials	998,348	6%	2,141,891	7%
Total Sales Tax Top Ten Remitters	8,184,975	52%	13,858,070	47%
Sales Tax Revenue--All Other Remitters	7,406,575	48%	15,908,603	53%
Total Sales Tax Revenue	<u>\$ 15,591,550</u>	<u>100%</u>	<u>\$ 29,766,673</u>	<u>100%</u>

SOURCE: City of Brighton sales tax system.

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

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

	2010	2011	2012	2013	2014	2015	2016	2017- restated	2018	2019
Governmental Activities										
Sales Tax Revenue Bonds	\$ 5,365	\$ 4,375	\$ 3,345	\$ 2,270	\$ 1,160	\$ -	\$ -	\$ -	\$ -	\$ -
2010 Certificate of Participation	26,565	26,565	26,505	26,445	26,385	26,320	25,515	24,797	23,936	22,940
2016 Certificate of Participation	-	-	-	-	-	-	6,124	5,887	5,341	4,974
Capital Leases	172	-	-	-	-	-	-	1,608	1,392	1,172
Total Governmental Activities	32,102	30,940	29,850	28,715	27,545	26,320	31,639	32,292	30,669	29,086
Business-type Activities										
General Obligation Water Bonds	2,465	485	-	-	-	-	-	-	-	-
Water/Sewer Revenue Bonds	30,165	30,165	30,015	29,310	28,580	27,845	-	-	-	-
2016 Revenue Bonds	-	-	-	-	-	-	27,270	27,374	26,214	23,965
2016 Certificate of Participation	-	-	-	-	-	-	876	1,001	965	925
State Water Loan Note	1,785	1,458	1,121	769	400	-	-	-	-	-
Total Business-type Activities	34,415	32,108	31,136	30,079	28,980	27,845	28,146	28,375	27,179	24,890
Total Primary Government										
Sales Tax Revenue Bonds	5,365	4,375	3,345	2,270	1,160	-	-	-	-	-
Certificate of Participation	31,870	26,565	26,505	26,445	26,385	26,320	32,515	24,797	23,936	28,839
Capital Leases	175	-	-	-	-	-	-	6,888	6,306	1,172
General Obligation Water Bonds	2,465	485	-	-	-	-	-	-	-	-
Water/Sewer Revenue Bonds	30,165	30,165	30,015	29,310	28,580	27,845	27,270	27,374	26,214	23,965
State Water Loan Note	1,785	1,458	1,121	769	400	-	-	-	-	-
Total primary government	<u>\$71,825</u>	<u>\$63,048</u>	<u>\$60,986</u>	<u>\$58,794</u>	<u>\$56,525</u>	<u>\$54,165</u>	<u>\$59,785</u>	<u>\$ 59,059</u>	<u>\$56,456</u>	<u>\$ 53,976</u>
Percentage of Per Capita Personal Income	6.80%	5.70%	5.20%	4.72%	4.40%	4.07%	4.22%	3.75%	3.41%	3.07%
Debt Per Capita	\$ 2.15	\$ 1.88	\$ 1.79	\$ 1.68	\$ 1.60	\$ 1.52	\$ 1.62	\$ 1.55	\$ 1.44	\$ 1.38

SOURCE: Current and prior year's financial statements

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

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
General (water) bonded debt outstanding										
General obligation debt ¹	\$ 2,465	\$ 485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	2,465	485	-	-	-	-	-	-	-	-
Actual water sales	6,695	6,982	8,794	8,244	8,739	10,023	11,664	11,664	13,565	12,591
G.O. debt ratio to actual water sales	0.37	0.07	-	-	-	-	-	-	-	-
G.O. debt per capita ²	74	15	-	-	-	-	-	-	-	-
Total net debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Legal debt limit ³	84,336	71,190	83,570	82,792	83,192	96,700	127,303	127,049	130,020	138,392
Legal debt margin ⁴	84,336	71,190	83,570	82,792	83,192	96,700	127,303	127,049	130,020	138,392
Legal debt margin as a percentage of debt limit	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Computation of maximum debt allowed:										
Actual value of property	2,811,204	2,373,014	2,785,662	2,759,749	2,773,064	3,223,343	4,243,434	4,234,952	4,334,016	4,613,073
Legal debt limit percentage	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Legal debt limit	<u>\$ 84,336</u>	<u>\$ 71,190</u>	<u>\$ 83,570</u>	<u>\$ 82,792</u>	<u>\$ 83,192</u>	<u>\$ 96,700</u>	<u>\$ 127,303</u>	<u>\$ 127,049</u>	<u>\$ 130,020</u>	<u>\$ 138,392</u>

SOURCE: Current and prior year's financial statements.

NOTES:

1 General obligation bonds have been issued for business-type activities. While general obligation water bonds are direct obligations and pledge the full faith and credit of the City, the City is bound by bond covenants to establish water rates which will provide for operations and debt service. The City has no other general obligation bonds outstanding.

2 See Table 12 for personal income and population data.

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

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

**Table 10. Direct and Overlapping Governmental Activities Debt
As of December 31, 2019**

Jurisdiction	Debt Outstanding Government Activities	Percentage Applicable to the City	Estimated Share of Overlapping Debt
<u>Direct Debt:</u>			
City of Brighton	\$ 29,185,710	100%	\$ 29,185,710
<u>Overlapping Debt:</u>			
Counties	184,648,827	6%	11,701,155
School Districts	463,076,173	25%	116,490,313
Special Districts	531,300,276	30%	156,838,095
Total Overlapping Debt	1,179,025,276		285,029,563
Total Direct and Overlapping Debt	\$ 1,208,210,986		\$ 314,215,273

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

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

**Table 11. Coverage Information for Non-General Obligation Debt
For Debt Outstanding as of December 31, 2019
(amounts expressed in thousands)**

Water Activity Enterprise Revenue Bonds							
Fiscal Year	Gross Water/Sewer Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service			Coverage Ratio
				Principal	Interest	Total	
2010	12,931	7,550	5,381	-	1,370	1,370	3.93
2011	12,075	8,063	4,012		1,370	1,370	2.93
2012	17,406	9,281	8,125	150	1,370	1,520	5.35
2013	19,271	9,296	9,975	705	1,367	2,072	4.81
2014	20,274	9,807	10,467	730	1,352	2,082	5.03
2015	24,289	9,936	14,353	735	1,338	2,073	6.92
2016	25,024	11,636	13,388	930	1,319	2,249	5.95
2017	30,526	12,247	18,279	1,085	1,022	2,107	8.68
2018	32,227	13,277	18,950	1,100	989	2,089	9.07
2019	33,690	17,891	15,799	1,160	926	2,086	7.57

Notes:

- 1) The Water Activity Enterprise Revenue Bonds are repaid from net available revenues of the Water and Waste Water Funds.
- 2) Operating Expenses do not include amortization, depreciation, interest expense, or loss on disposal of capital assets.

Table 12. Demographic and Economic Statistics

Fiscal Year	Population	Total Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2010	33,352	1,055,589	31,650	32	14,469	10.2%
2011	33,490	1,106,598	33,043	32	15,089	9.5%
2012	34,132	1,183,602	34,677	32	15,669	9.0%
2013	35,031	1,245,851	35,232	34	16,193	7.5%
2014	35,367	1,283,768	35,385	35	17,129	5.5%
2015	35,671	1,329,494	37,271	33	17,610	3.9%
2016	36,912	1,416,609	38,378	33	16,526	4.1%
2017	38,192	1,574,083	41,215	33	17,169	2.9%
2018	39,211	1,657,018	42,259	33	18,712	3.5%
2019	40,584	1,757,896	43,315	33	19,362	3.8%

SOURCE: City of Brighton-Economic Development, and Federal Reserve Bank of St. Louis

Table 13. Principal Employers

	2010			2019		
	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>
Adams County	1,823	34%	1	2,200	27%	1
School District 27J	1,365	25%	2	2,000	25%	2
Vestas	280	5%	5	1,400	17%	3
Platte Valley Medical Center	653	12%	3	650	8%	4
King Soopers	150	3%	10	500	6%	5
City of Brighton	245	5%	6	360	4%	6
Wal-mart	315	6%	4	300	4%	7
Transwest	-	0%		240	3%	8
Petrocco Farms	-	0%		200	2%	9
Super Target	200	4%	7	200	2%	10
K-Mart Distribution Center	188	3%	8	-	0%	
United Power	161	3%	9	-	0%	
TOTAL	<u>5,380</u>	<u>100%</u>		<u>8,050</u>	<u>100%</u>	

SOURCE: Brighton Economic Development Corporation

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

Functions/Programs	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
General Government										
Municipal Court	5.0	5.0	5.0	4.0	4.0	5.0	5.0	5.0	5.0	6.0
City Manager	2.0	2.0	3.5	4.5	3.6	4.1	4.0	4.0	4.4	4.0
City Attorney										3.5
Human Resources	4.0	3.0	4.0	4.0	4.0	4.0	6.0	6.0	5.0	5.0
Finance	8.0	8.0	8.0	8.0	10.0	12.0	13.0	12.0	12.0	14.0
City Clerk	4.0	3.5	3.0	3.0	3.0	3.0	4.0	3.0	3.1	3.1
Facilities Maintenance	10.0	9.0	11.0	11.0	12.0	12.0	18.0	18.0	20.0	18.0
Youth Resource Program	0.0	0.0	1.0	1.0	1.0	2.0	2.0	3.0	0.0	0.0
Special Events	4.0	2.0	2.0	2.0	2.0	2.5	4.0	3.0	0.0	0.0
Arts and Culture Office	-	-	-	-	1	1.5	1.0	1.0	0.0	-
Information Systems	7.0	6.0	7.0	8.0	8.0	8.0	7.0	10.0	10.0	12.0
Public Information Office	2	2.0	2.0	3.0	3.3	4.0	4.0	3.0	11.0	12.0
Development Office	-	-	-	-	1.0	1.0	0.0	0.0	0.0	-
Economic Development	3.0	3.3	3.4	4.0	4.0	4.0	3.0	4.0	4.4	3.0
Total General Government	49.0	43.8	49.9	52.5	56.9	63.1	71.0	72.0	74.9	80.6
Public Safety										
Police Crime Control	53.0	53.0	53.0	56.0	58.0	60.0	68.0	64.0	65.0	70.0
Police Support Services	13.0	13.0	13.0	13.0	13.0	14.0	14.0	14.0	15.0	15.0
Animal Control	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Victims Services	0.0	1.0	1.0	2.0	2.0	5.0	5.0	7.0	7.0	7.0
Emergency Management	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Code Enforcement	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0	3.0
Total Public Safety	72.0	73.0	73.0	77.0	80.0	86.0	94.0	92.0	94.0	99.0
Public Works										
Administration	4.0	4.0	5.0	4.0	4.0	5.0	5.0	7.0	6.0	6.5
Streets	13.5	13.5	13.5	13.5	14.5	13.5	14.0	17.0	17.0	18.0
Fleet	3.5	3.5	3.5	4.5	4.5	4.5	6.0	5.0	6.0	5.5
Total Public Works	21.0	21.0	22.0	22.0	23.0	23.0	25.0	29.0	29.0	30.0
Culture, Parks and Recreation										
Eagle View Adult Center	3.5	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Recreation Center	17.5	17.5	17.6	16.5	20.3	20.3	18.0	19.0	17.0	16.5
Parks	9.5	9.8	9.8	10.3	11.0	11.0	12.0	13.0	15.0	17.0
Parks and Recreation-Administration	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	3.0	3.0
Total Culture, Parks and Recreation	33.5	34.3	35.4	34.8	40.3	40.3	39.0	41.0	40.0	41.5
Community Development										
Building Inspection	3.0	2.0	2.0	2.0	2.2	3.0	3.0	5.0	6.0	6.0
Community Development Administration	7.0	7.0	8.0	8.0	8.0	8.0	9.0	8.0	8.0	8.0
Planning and Zoning	4.0	3.0	3.0	4.5	4.5	5.0	6.0	6.0	6.0	6.0
Engineering	0.5	0.5	0.5	0.5	0.5	2.0	2.0	2.0	2.0	1.0
Total Community Development	14.5	12.5	13.5	15.0	15.2	18.0	20.0	21.0	22.0	21.0
Total Cemetery	4.0	4.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0
Total Governmental Activities	194.0	188.6	197.8	205.3	219.4	234.4	252.0	259.0	263.9	276.1
Business-Type Activities										
Water										
Operations	14	14.0	14.3	14.3	18.9	18.9	20.0	24.0	26.0	26.0
Administration	6.2	6.2	6.2	6.8	6.3	6.3	8.0	8.0	8.0	9.0
Total Water	20.2	20.2	20.5	21.1	25.2	25.2	28.0	32.0	34.0	35.0
Sewer										
Operations	12	12.0	12.5	16.0	15.7	15.7	17.0	20.0	20.0	20.0
Administration	6.3	6.3	6.5	6.0	5.8	5.8	8.0	8.0	8.0	8.0
Total Sewer	18.3	18.3	19.0	22.0	21.5	21.5	25.0	28.0	28.0	28.0
Storm Drainage										
Operations	2.0	1.0	2.0	2.0	2.3	2.3	3.0	4.0	4.0	4.0
Total Storm Drainage	2.0	1.0	2.0	2.0	2.3	2.3	3.0	4.0	4.0	4.0
Total Business-Type Activities	40.5	39.5	41.5	45.1	49.0	49.0	56.0	64.0	66.0	67.0
Component Units										
Urban Renewal Authority	3.0	5.7	5.2	5.0	5.0	4.0	6.0	4.0	-	-
Total Component Units	3.0	5.7	5.2	5.0	5.0	4.0	6.0	4.0	-	-
Total FTE Employees By Functions/Programs	237.5	233.8	244.5	255.4	273.4	287.4	367.0	387.0	329.9	343.1

Table 15. Operating Indicators by Function/Program

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Calls for service	44,663	42,478	42,573	43,195	46,023	52,456	56,092	55,805	56,777	63,592
Arrests	2,795	2,600	2,716	2,365	2,365	2,620	2,791	2,240	1,961	1,951
Summons issued	5,362	4,904	5,986	5,225	5,226	5,044	5,463	4,680	4,824	4,341
Streets										
Street resurfacing (miles)	-	1	-	-	-	-	2	5	6	5
Street slurry seal (miles)	-	2	3	4	5	10	9	6	12	11
Street chip seal (miles)	-	-	-	-	-	-	-	5	8	6
Parks and Recreation										
Recreation Center admissions	145,050	141,464	154,783	174,553	183,960	191,190	-	192,605	178,072	169,755
Senior Center program participants	22,200	23,979	27,897	29,645	31,239	33,778	37,296	40,269	41,390	39,902
Senior Center services	10,352	10,734	11,071	10,672	11,144	10,733	11,075	14,491	17,476	15,956
Water										
Gallons pumped (millions)	1,668	1,722	1,902	1,621	1,671	1,755	1,858	1,978	1,932	1,918
Average daily consumption (million gallons)	5	5	5	4	5	5	5	5	5	5
Wastewater										
Gallons treated (millions)	806	814	731	755	751	775	756	740	788	656
Cemetery										
Internments	119	112	128	138	120	115	149	170	109	118

SOURCE: Various City departments.

Table 16. Capital Asset Statistics by Function/Program

Function/Program	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	31	31	52	51	51	51	53	55	55	59
Streets										
Street Miles	151	151	151	151	153	154	159	161	162	160
Parks and Recreation										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Parks	47	47	47	47	47	47	47	48	43	43
Park acreage	245	300	300	300	300	300	300	303	241	307
Swimming pools	3	3	4	4	4	4	4	4	2	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	0	1
4-Plex Ball fields	2	2	2	2	2	2	2	2	2	2
Open Space (acres)	650	767	767	767	960	960	960	1,023	869	1,044
Trails (miles)	27	27	27	27	34	34	34	38	32	38
Water										
Treatment plant	1	2	2	2	2	2	2	2	2	2
Water mains (miles)	200	150	190	195	195	195	227	225	235	237
Water customers	9,319	9,485	9,576	9,736	10,068	10,436	10,104	11,700	11,782	12,183
Storage capacity (million gallons)	17	17	17	17	17	17	17	17	17	17
Wastewater										
Treatment plant	1	1	1	1	1	1	1	1	1	1
Sanitary sewer (miles)	112	112	146	146	146	146	146	169	180	180
Storm drainage										
Storm sewer (miles)	60	60	60	60	60	60	60	76	101	101
Cemeteries										
	2	2	2	2	2	2	2	2	2	2

SOURCE: Various City departments.

Compliance Section

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COMPLIANCE SECTION

SINGLE AUDIT

In 2019 the City did not have federal expenditures more than \$750,000, therefore, the Schedule of Expenditures of Federal Awards is not presented.

OTHER REPORTS

Local Highway Finance Report, which is an annual statement of receipts and expenditures required to be submitted annually to the Colorado Department of Transportation as part of the mileage certification process.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Brighton
		YEAR ENDING : December 2019
This Information From The Records Of (example - City of _ or County of	Prepared By: Phone:	Ana Canada 303-655-2128

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES**III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	4,144,397
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,260,500
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations		b. Snow and ice removal	111,554
3. Other local imposts (from page 2)	2,351,115	c. Other	
4. Miscellaneous local receipts (from page 2)	973,619	d. Total (a. through c.)	111,554
5. Transfers from toll facilities		4. General administration & miscellaneous	570,533
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	849,617
a. Bonds - Original Issues		6. Total (1 through 5)	7,936,602
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	3,324,734	b. Redemption	
B. Private Contributions	2,175,000	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,549,798	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	7,049,532	b. Redemption	
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	0
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	7,936,602

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	887,070	7,049,532	7,936,602	0	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2019	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	182,829
b. Other local imposts:		b. Traffic Fines & Penalties	475,839
1. Sales Taxes	2,108,160	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	25,034
5. Specific Ownership &/or Other	242,955	g. Other Misc. Receipts	
6. Total (1. through 5.)	2,351,115	h. Other	289,917
c. Total (a. + b.)	2,351,115	i. Total (a. through h.)	973,619
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,378,216	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	132,021	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant	39,561	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	171,582	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,549,798	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		1,305,597	1,305,597
(3). System Preservation		2,106,788	2,106,788
(4). System Enhancement & Operation		732,012	732,012
(5). Total Construction (1) + (2) + (3) + (4)	0	4,144,397	4,144,397
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,144,397	4,144,397
			(Carry forward to page 1)
Notes and Comments:			