

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the year ended December 31, 2020



2020

CITY OF BRIGHTON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

Prepared By the Finance Department

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**CITY OF BRIGHTON, COLORADO
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020**

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Introductory Section



May 10, 2021

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 for the City of Brighton, Colorado (the City), for the year ended December 31, 2020. 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, 2020 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, 2020, 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 41,468.

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 2020, 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 2020 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 \$510,990,970 and \$37,356,403 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 2020, 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.

The legal level of budgetary control (i.e. the level at which expenditures may not legally exceed appropriations) is the fund level. Budgets for capital projects lapse at the end of the fiscal year.

MAJOR INITIATIVES - In 2020 the City made significant progress on its Strategic Plan initiatives including:

- Facilitating **strategic, supportable infrastructure**. City Council continued its 10-year street maintenance program, approved replacement of aged water pipelines in the core of the City, and funded the installation of the new Baseline Road Water Pipeline which will provide critical redundancy to the City's water distribution system. The City also moved beyond the concept phase for its new water treatment plant, and completed pilot testing of different water filtration systems to help select the primary water treatment medium for the new plant. The water treatment plant, which is now in the design phase, will help the City to meet its water processing needs as it grows over the next several decades.
- Developing **strong local employment opportunities**. This goal was tested significantly by the COVID-19 pandemic and the changing economic landscape. Keeping the lights on and the doors open for local businesses became a top priority for the City as public health mandates limited occupants and forced closures. Over an eight month period the City launched several grant programs for businesses including rent and mortgage assistance, utility assistance, and assistance in securing PPE. In total, the City awarded over \$1.4M in public assistance to businesses to deal with the COVID-19 pandemic.
- Maintaining **a safe, active, engaged community**. Like the previous initiative, this is one that was greatly impacted by COVID-19. With schools and businesses forced to close and large gatherings banned, the City had to pivot quickly to reconfigure large events and community outreach programs. The Police Department's Youth Services program, which normally sees officers connecting with at-risk youth in schools, moved to checking in with students at their homes and in community spaces. Events such as the 4th of July and Festival of Lights were reworked as socially distanced events where residents could partake in the festivities from their very own neighborhood.
- Promoting **financial responsibility**. In 2020, City Council directed staff to develop a plan for using \$1.5M in one-time oil and gas revenues. With Covid-19 hitting early in the year, staff was able to put together a plan for these funds that would allow Council to plug pandemic-related revenue gaps and continue progress on major capital projects such as the widening of Bridge Street. Additionally, the pandemic forced the City to take a hard look at its day-to-day operations in light of a reduced revenue outlook. After months of work and collaboration between departments to find ways to work more efficiently and effectively, the City was ultimately able to balance its budget without laying off a single employee.

- Expanding the City's **facilities, amenities, and open space**. The City completed construction of the Veteran's Park playground and Foley Farm Park. The latter saw a farm of historical significance to the community converted into a neighborhood park and major facilities such as the barn and silo restored and opened for neighborhood use. Ken Mitchell Open Space also opened to the public in the summer of 2020. This 600 acre park doubles the amount of open space available to Brighton residents and offers opportunities to hike, bike, view wildlife, and access the regional Colorado Front Range Trail.
- Building **strong regional relationships and partnerships**. The City worked extensively with Adams County, the State, local healthcare providers, and the schools to manage its COVID-19 response. These entities were in constant communication regarding regulations and response mechanisms to ensure the best use of resources and assistance flowing into the region. The City also made its final contribution payment to Broomfield County for the Highway 7 Bus Rapid Transit Study which will analyze the feasibility of mass transit options connecting the City of Boulder to the City of Brighton.
- Promoting a **recognizable and well-planned community**. In 2020, City Council adopted the 2018 International Building Codes and the extensive City code amendments necessary to enforce them. The City also embarked on an initiative to expand ADA accessibility in the City through the installation of over 70 ramps on public sidewalks.
- Enhancing **Sustainability**. This is the only new initiative added by the City Council in their 2020 Strategic Plan update. Early accomplishments include inventorying and modeling the City's fleet as a baseline for piloting alternative fuel vehicles in 2021, and the successful move to remote working for many areas of the City in response to the pandemic. While many surrounding communities faced significant disruption to services, the City of Brighton was able to increase its remote working capabilities by 25% and sustain all core City services despite physical facility closures; and
- Advancing an **innovative, data-driven, results-focused government**. 2020 saw the City launch several new programs aimed at increasing tracking and transparency around key City projects. The Strategic Plan Report Card was launched in March and catalogues the completion of tasks necessary for implementing City Council goals. The Capital Project Dashboard was launched in October of 2020 and allows residents to easily view the status of major capital projects online.

LOCAL ECONOMY

The City of Brighton's economic indicators were tested in 2020 due to COVID-19. The unemployment rate peaked at 11% in July and ended the year at 7.2%. Population increased from 40,584 to 41,468, and increase of 2.2%. The City issued 753 residential permits in 2020 compared with 500 in 2019, a 50.6% increase. Sales, use and property tax collections increased \$1.3 million in 2020, a 3.1% increase over 2019.

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

COVID-19 and resulting public health mandates created a downturn in Brighton's economy in 2020. Economic improvement began in late summer of 2020 as Brighton residents and businesses showed their resiliency and continued drive for innovative ways to reach customers. The City Council reacted quickly at the start of the pandemic to create a low-interest business support loan program and offered multiple grants throughout the year to support local businesses through the shut-down.

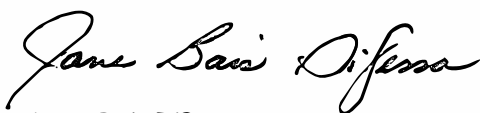
Brighton City Council has continued its commitment to expanding both the employment base and range of retail opportunities by funding and working in cooperation with the Brighton Economic Development Corporation (BEDC), Brighton Urban Renewal Authority (BURA), Brighton Housing Authority (BHA), Adams 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 for the year ended December 31, 2019. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this 2020 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,



Jane Bais DiSessa
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, 2019

Christopher P. Morill

Executive Director/CEO

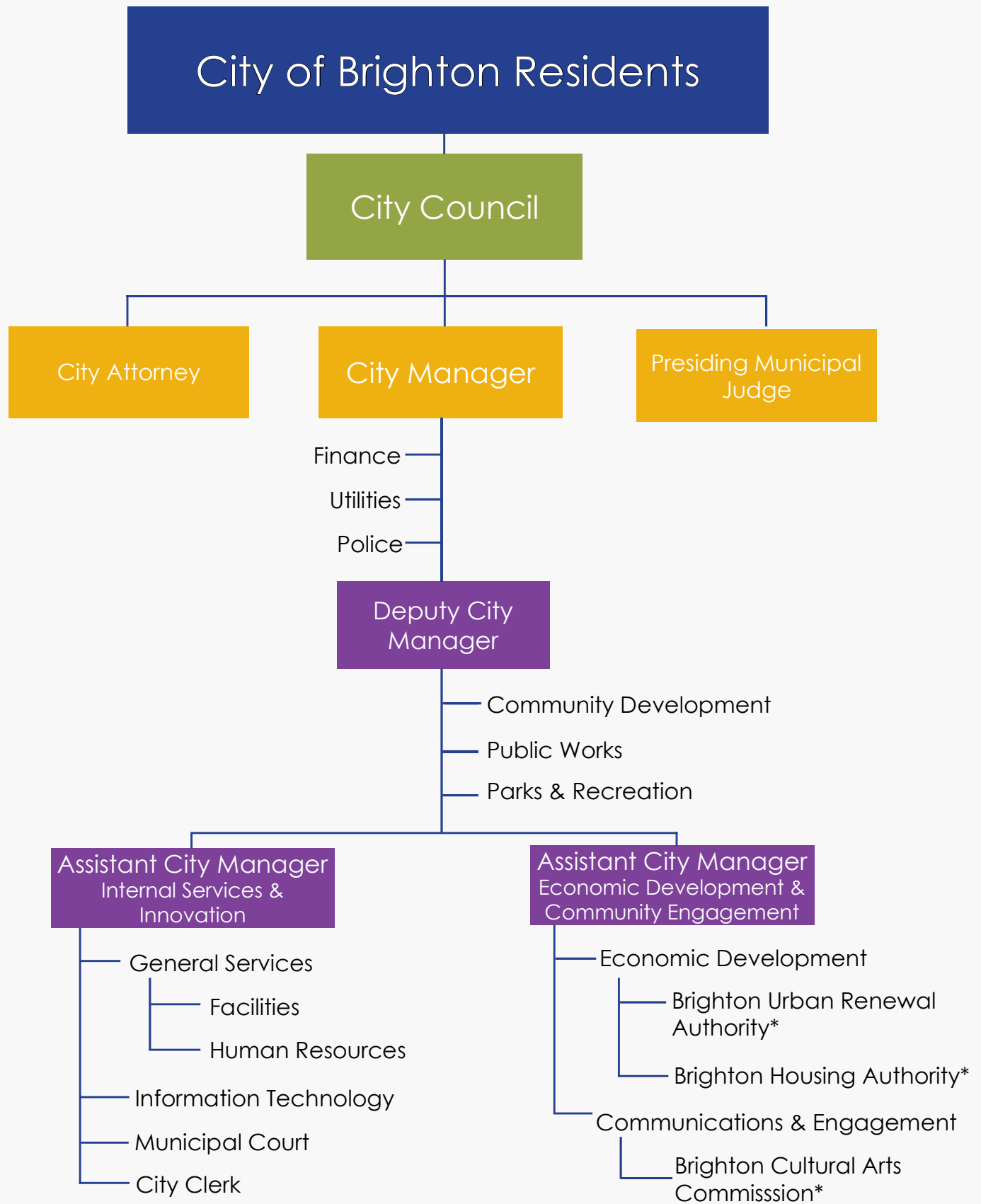
CITY OF BRIGHTON, COLORADO
CITY OFFICIALS
DECEMBER 31, 2020

Mayor and City Council

Mayor	Gregory Mills
Council Members:	
Mayor Pro Tem	Matt Johnston
Ward 1	Tim Watts
Ward 2	Mary Ellen Pollack
Ward 2	Ann Taddeo
Ward 3	Kris Jordinelli
Ward 3	Clint Blackhurst
Ward 4	Mark Humbert
	Adam Cushing

Administrative

City Manager	Jane Bais DiSessa
Acting City Attorney	Lena McClelland
Presiding Municipal Judge	Kristin Brown
Deputy City Manager	Marv Falconburg
Assistant City Manager-Economic Development and Community Engagement	Michael Martinez
Assistant City Manager-Internal Services & Innovation	Karen Borkowski-Surine
Communications & Engagement Director	Kristen Chernosky
Economic Development Director	Patrick Giron
Information Technology Director	David Guo
Parks and Recreation Director	Traivs Haines
Finance Director	Maria Ostrom
Community Development Director	Holly Prather
Utilities Director	Brett Sherman
Police Chief	Paul Southard
Public Works Director	Michael Woodruff
City Clerk	Natalie Hoel



*Component Units. Appropriations not included in the City's Budget Book.



BrightonSM

Organizational Chart

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Financial Section

To the City Council
City of Brighton, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado (the "City"), as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Brighton, Colorado, as of December 31, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Matters

Required Supplementary Information

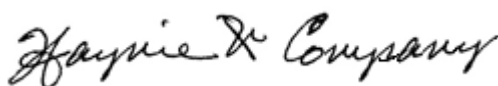
Accounting principles generally accepted in the United States of America require that the management's discussion and pension schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements,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

Other Information

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

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

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



Littleton, Colorado

May 3, 2021

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Management's Discussion & Analysis

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

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, 2020. 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 2020 by \$415.0 million (net position). Of this amount, \$76.6 million is unrestricted in the governmental activities and may be used to meet the City's ongoing obligations.
- Citywide net position increased \$45.8 million (12.4%) in 2020. The governmental net position increased by \$32.1 million (17.4%) and the business-type net position increased by \$13.8 million (7.4%).
- The General Fund, the City's primary operating fund, ended 2020 with a \$42.7 million fund balance. Approximately 66.0% of this amount (\$28.2 million) is available for spending at the government's discretion (assigned and unassigned fund balance).
- The City's governmental activities show revenues of \$89.6 million, an increase of \$18.4 million (25.9%) over the prior year. Primary revenue sources are sales, use and other taxes of \$39.3 million (a \$0.4 million increase over 2019), charges for services \$10.5 million (a \$0.2 million increase over 2019), and operating and capital grants of \$30.1 million (a \$17.2 million increase over 2019).
- Citywide governmental activities expenses were \$57.6 million, an increase of \$3.2 million in comparison with 2019. This increase is primarily related to a \$4.2 million increase in general government expenses related to the expenditures of federal CARES Act money and grants for the benefit of the community.
- The City's business-type activities show revenues of \$45.3 million, an increase of \$9.0 million from 2019. The largest revenue source is capital grants and contributions (\$23.2 million) followed by charges for services (\$19.8 million). The business-type expenses were \$31.5 million, an increase of \$3.8 million in comparison with 2019.

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, 2020

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, 2020

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

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

The basic governmental funds financial statements start on page 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 38 of this report.

Other Information

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

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

on pages 66-88 of this report. The *local highway finance* report can be found on pages 108-109 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 \$415.0 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 2020, the investment in capital assets of \$308.7 million (land, buildings, improvements, equipment, etc.), net of debt used to acquire those assets of \$52.8 million, amounts to \$255.9 million, or 61.6% of the City's total net position of \$415.0 million. During the current fiscal year, the City's net position increased by \$45.8 million. In the governmental activities, revenues exceeded expenses by 155.8% and in the business-type activities, revenues exceeded expenses by 143.6%. Table 1 reflects the condensed *statement of net position*.

Governmental Activities Analysis

Governmental activities increased the City's net position by \$32.1 million, accounting for 70.0% of the City's \$45.8 million overall increase in net position. The following factors contributed to this increase (see Table 2):

- Grants and Capital Contributions increased \$17.2 million due to federal CARES Act funding as well as an increase in developer contributed capital.
- Oil and gas revenue increased \$0.6 million related to an increase in royalty payments.

Business-Type Activities Analysis

Business-Type activities increased the City's net position by \$13.8 million, accounting for 30.0% of the City's \$45.8 million increase in net position. Below is information regarding business-type activities (see Table 2):

- Grants and Capital Contributions for business-type activities increased \$11.3 million due to an increase in developer contributed capital.
- Charges for Services for business-type activities decreased \$2.2 million due to an 8% decrease in water and sewer rates effective in January 2020 for all customers. Additionally, City Council approved a temporary rate decrease during the months of April and May 2020 in order to assist customers facing financial difficulties related to the COVID-19 pandemic.
- Water expenses increased 19.2% (\$3.4 million), primarily related to an increase in personnel, \$0.6 million, an increase in operating expenses, \$0.5 million, and an increase in depreciation expense, \$0.4 million.
- Waste Water expenses increased 5.6% (\$0.4 million), related to an increase in the cost of purchased services, \$0.4 million.
- Storm Drainage expenses decreased 1.3% (\$30k), related to a decrease in developer reimbursements, \$74k.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

Table 1
Net Position
As of December 31,

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 106,739,989	\$ 92,830,151	\$ 69,339,419	\$ 74,333,163	\$ 176,079,408	\$ 167,163,314
Capital Assets	150,214,453	131,644,361	158,493,518	140,924,617	308,707,971	272,568,978
Total Assets	<u>256,954,442</u>	<u>224,474,512</u>	<u>227,832,937</u>	<u>215,257,780</u>	<u>484,787,379</u>	<u>439,732,292</u>
Deferred Outflow of Resources	2,883,735	3,610,968	-	-	2,883,735	3,610,968
Long-term Liabilities	30,236,663	32,346,292	24,982,117	26,195,139	55,218,780	58,541,431
Other Liabilities	7,057,794	7,660,794	4,321,634	4,287,741	11,379,428	11,948,535
Total Liabilities	<u>37,294,457</u>	<u>40,007,086</u>	<u>29,303,751</u>	<u>30,482,880</u>	<u>66,598,208</u>	<u>70,489,966</u>
Deferred Inflows of Resources	6,038,775	3,657,301	-	-	6,038,775	3,657,301
Net Position:						
Net Investment in capital assets	122,194,477	102,395,893	133,669,301	114,965,831	255,863,778	217,361,724
Restricted	17,758,452	16,325,276	-	154,752	17,758,452	16,480,028
Unrestricted	<u>76,552,016</u>	<u>65,699,924</u>	<u>64,859,885</u>	<u>69,654,317</u>	<u>141,411,901</u>	<u>135,354,241</u>
Total Net Position	<u>\$ 216,504,945</u>	<u>\$ 184,421,093</u>	<u>\$ 198,529,186</u>	<u>\$ 184,774,900</u>	<u>\$ 415,034,131</u>	<u>\$ 369,195,993</u>

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues						
Charges for Services	\$ 10,474,807	\$ 10,261,019	\$ 19,811,831	\$ 22,051,453	\$ 30,286,638	\$ 32,312,472
Operating Grants and Contributions	7,738,474	3,425,423	129,282	115,488	7,867,756	3,540,911
Capital Grants and Contributions	22,400,185	9,518,636	23,227,221	11,902,754	45,627,406	21,421,390
General Revenues						
Sales, Use and Other Taxes	39,342,764	38,960,588	-	-	39,342,764	38,960,588
Property Taxes	3,608,139	2,713,072	-	-	3,608,139	2,713,072
Investment Earnings	2,114,399	1,914,007	1,825,524	1,682,642	3,939,923	3,596,649
Sales of Capital Assets	84,449	33,400	(8,949)	41,688	75,500	75,088
Miscellaneous	3,868,674	4,387,304	318,942	528,360	4,187,616	4,915,664
Total Revenues	89,631,891	71,213,449	45,303,851	36,322,385	134,935,742	107,535,834
Expenses						
General Government	18,528,907	16,250,939	-	-	18,528,907	16,250,939
Public Safety	14,509,053	12,866,037	-	-	14,509,053	12,866,037
Streets & Fleet	9,481,814	11,546,566	-	-	9,481,814	11,546,566
Parks and Recreation	10,096,017	9,079,602	-	-	10,096,017	9,079,602
Cemetery	553,741	505,902	-	-	553,741	505,902
Community Development	2,483,238	2,415,958	-	-	2,483,238	2,415,958
Interest on Long-term Debt	1,895,269	1,660,985	-	-	1,895,269	1,660,985
Water Operations	-	-	21,293,337	17,858,303	21,293,337	17,858,303
Waste Water Operations	-	-	8,016,836	7,592,090	8,016,836	7,592,090
Storm Drainage Operations	-	-	2,239,392	2,269,510	2,239,392	2,269,510
Total Expenses	57,548,039	54,325,989	31,549,565	27,719,903	89,097,604	82,045,892
Increase in Net Position Before Transfers	32,083,852	16,887,460	13,754,286	8,602,482	45,838,138	25,489,942
Transfers	-	(607,500)	-	607,500	-	-
Net Position--January 1	184,421,093	168,141,133	184,774,900	175,564,918	369,195,993	343,706,051
Net Position--December 31	\$ 216,504,945	\$ 184,421,093	\$ 198,529,186	\$ 184,774,900	\$ 415,034,131	\$ 369,195,993

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

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, 2020, the total Governmental fund balances were \$89.8 million, an increase of \$13.7 million compared to the prior year. Fund Balances categories and amounts are: non-spendable fund balances \$0.4 million, restricted fund balances \$2.8 million, committed fund balances \$27.6 million, assigned fund balances \$30.8 million, and unassigned fund balances \$28.2 million.

The *General Fund* is the main operating fund of the City. At December 31, 2020, the total fund balance was \$42.7 million, which was an increase of \$8.4 million from 2019. Tax revenue of \$32.2 million was 64.0% of the total General Fund revenue and increased \$1.1 million (3.4%) over the prior year. General Fund expenditures increased \$6.0 million (1.7%), primarily due to an increase in grant expenditures related to federal CARES Act funding.

The Capital Improvement Fund revenues increased \$2.2 million (26.4%) over 2019, due to an increase in oil and gas royalties. Capital project expenditures increased \$0.3 million from 2019 due to an increase in street repair and maintenance (\$1.9 million). Fund balance in the Capital Improvement Fund increased \$2.3 million primarily related to the increase in oil and gas royalties.

The Parks and Recreation Capital fund balance increase \$3.5 million primarily related to lower than anticipated spending on land acquisition. Parks revenue increased \$1.3 million (20.9%) over 2019, due to an increase in grants and expenditures of \$0.4 million (11.3%) due to an increase in project spending.

Proprietary Funds

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

The net position of the enterprise funds increased \$13.8 million from 2019 and ended the year with a combined net position of \$198.5 million. The combined unrestricted net position is \$64.9 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 \$50.4 million, an increase of \$3.2 million over 2019. This represents a positive variance from budget of \$1.3 million. The revenue variance was primarily due to the receipt of federal CARES Act funding (\$4.2 million), the majority of this funding was used to provide financial assistance to residents and businesses during the pandemic.

**CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020**

General Fund expenditures totaled \$42.1 million, an increase of \$6.0 million from 2019. The variance between actual expenditures and the final budget amounted to approximately \$1.5 million in unspent appropriations. Personnel costs were less than originally budgeted due to temporary cost savings measures implemented at the start of the pandemic.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Capital assets for the governmental and business-type activities amount to \$308.7 million (net of accumulated depreciation) at December 31, 2020. This was an increase of \$36.1 million from 2019. 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 (see Table 3).

Additional detailed information on the City's Capital Assets can be found in footnote 4, starting on page 47 of this report.

Long-term Debt

As of December 31, 2020, the City had total debt outstanding of \$52.5 million (bonds and certificates of participation). This was a decrease of \$2.6 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 \$23.8 million represents bonds secured by specified revenue sources (i.e. revenue bonds) for water and waste water projects. \$22.3 million represents debt primarily secured by the new facilities being financed by 2020 certificates of participation (see Table 4).

Additional detail information on the City's long-term obligations can be found in footnote 6, starting on page 50 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.

CITY OF BRIGHTON, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2020

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

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
Land	\$ 28,531,446	\$ 26,363,103	\$ 9,513,128	\$ 9,513,128	\$ 38,044,574	\$ 35,876,231
Water Rights	2,036,050	2,036,050	24,992,309	22,204,328	27,028,359	24,240,378
Construction in Progress	7,336,066	3,826,082	8,556,130	3,626,314	15,892,196	7,452,396
Buildings and Improvements	35,311,981	36,272,863	12,600,817	13,073,856	47,912,798	49,346,719
Infrastructure	61,164,144	54,336,181	99,410,677	89,528,744	160,574,821	143,864,925
Improvements Other Than Buildings	8,186,846	-	-	-	8,186,846	-
Machinery and Equipment	7,327,533	8,518,417	3,414,520	2,970,274	10,742,053	11,488,691
Other Assets	320,387	291,665	5,937	7,973	326,324	299,638
Total Capital Assets	<u>\$ 150,214,453</u>	<u>\$ 131,644,361</u>	<u>\$ 158,493,518</u>	<u>\$ 140,924,617</u>	<u>\$ 308,707,971</u>	<u>\$ 272,568,978</u>

Table 4
Outstanding Debt
As of December 31,

	Governmental Activities		Business-type Activities		Total Primary Government	
	2020	2019	2020	2019	2020	2019
2016 Revenue Bonds	\$ -	\$ -	\$ 22,805,000	\$ 23,965,000	\$ 22,805,000	\$ 23,965,000
Bond Premium	-	-	1,008,572	1,068,785	1,008,572	1,068,785
2010 Certificates of Participation	-	22,940,000	-	-	-	22,940,000
2010 COP Premium	-	99,578	-	-	-	99,578
2016 Certificates of Participation	4,596,253	4,974,080	884,471	925,001	5,480,724	5,899,081
2017 Capital Lease	947,286	1,172,051	-	-	947,286	1,172,051
2020 Certificates of Participation	19,195,000	-	-	-	19,195,000	-
2020 COP Premium	3,102,712	-	-	-	3,102,712	-
Total Outstanding Debt	<u>\$ 27,841,251</u>	<u>\$ 29,185,709</u>	<u>\$ 24,698,043</u>	<u>\$ 25,958,786</u>	<u>\$ 52,539,294</u>	<u>\$ 55,144,495</u>

Basic Financial Statements

CITY OF BRIGHTON, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2020

	PRIMARY GOVERNMENT			
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	COMPONENT UNITS
ASSETS				
Cash and Investments	\$ 91,119,342	\$ 67,379,387	\$ 158,498,729	\$ 4,686,087
Restricted Cash and Investments	-	-	-	2,490,965
Accounts Receivable	2,382,535	1,794,067	4,176,602	56,106
Taxes Receivable	8,691,386	-	8,691,386	5,068,416
Grants Receivable	1,121,812	-	1,121,812	-
Inventories	75,138	116,761	191,899	-
Prepays	415,323	49,204	464,527	1,670
Notes Receivable	2,510,000	-	2,510,000	-
Net Pension Asset	424,453	-	424,453	-
Land Held for Sale	-	-	-	1,625,000
Capital Assets, Not Being Depreciated	37,903,562	43,061,567	80,965,129	-
Capital Assets, Net of Accumulated Depreciation	112,310,891	115,431,951	227,742,842	3,387,275
Total Assets	256,954,442	227,832,937	484,787,379	17,315,519
DEFERRED OUTFLOW OF RESOURCES				
Deferred Charge on Refunding Items Related to Pension Plan	-	-	-	161,566
	2,883,735	-	2,883,735	-
	2,883,735	-	2,883,735	161,566
LIABILITIES				
Accounts Payable	1,578,309	2,811,082	4,389,391	19,837
Sales Tax Rebate Payable	-	-	-	974,403
Retainage Payable	178,726	126,175	304,901	-
Accrued Wages Payable	402,003	74,049	476,052	2,067
Accrued Interest Payable	103,049	79,071	182,120	77,459
Accrued Liabilities	504,369	-	504,369	99,113
Deposits and Escrows	4,291,338	1,231,257	5,522,595	1,363,887
Noncurrent Liabilities				
Debt Due Within One Year	3,363,112	1,475,402	4,838,514	858,429
Debt Due In More Than One Year	26,873,551	23,506,715	50,380,266	8,291,594
Total Liabilities	37,294,457	29,303,751	66,598,208	11,686,789
DEFERRED INFLOWS OF RESOURCES				
Deferred Revenue--Property Taxes	3,841,203	-	3,841,203	5,068,416
Items Related to Pension Plan	675,559	-	675,559	-
Unearned Revenue-Land Lease	1,522,013	-	1,522,013	-
Total Deferred Inflows of Resources	6,038,775	-	6,038,775	5,068,416
NET POSITION				
Net Investment in Capital Assets	122,194,477	133,669,301	255,863,778	3,387,275
Restricted For				
Emergencies - TABOR	1,681,659	-	1,681,659	-
Debt	-	-	-	998,428
Capital Outlay	10,074,773	-	10,074,773	-
Other Purposes	6,002,020	-	6,002,020	1,492,537
Unrestricted	76,552,016	64,859,885	141,411,901	(5,156,360)
Total Net Position	\$ 216,504,945	\$ 198,529,186	\$ 415,034,131	\$ 721,880

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, 2020

		PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGE IN NET POSITION			
FUNCTIONS/PROGRAMS	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	PRIMARY GOVERNMENT			COMPONENT UNITS
					GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	
PRIMARY GOVERNMENT								
Governmental Activities								
General Government	\$ 18,528,907	\$ 4,849,866	\$ 5,061,114	\$ -	\$ (8,617,927)	\$ -	\$ (8,617,927)	\$ -
Public Safety	14,509,053	484,912	1,125,710	-	(12,898,431)	-	(12,898,431)	-
Streets & Fleet	9,481,814	1,372,522	1,551,650	17,364,615	10,806,973	-	10,806,973	-
Parks and Recreation	10,096,017	1,183,943	-	5,035,570	(3,876,504)	-	(3,876,504)	-
Cemetery	553,741	493,302	-	-	(60,439)	-	(60,439)	-
Community Development	2,483,238	2,090,262	-	-	(392,976)	-	(392,976)	-
Interest on Long-Term Debt	1,895,269	-	-	-	(1,895,269)	-	(1,895,269)	-
Total Governmental Activities	57,548,039	10,474,807	7,738,474	22,400,185	(16,934,573)	-	(16,934,573)	-
Business-Type Activities								
Water	21,293,337	12,259,736	129,282	17,177,413	-	8,273,094	8,273,094	-
Waste Water	8,016,836	6,803,256	-	2,513,796	-	1,300,216	1,300,216	-
Storm Drainage	2,239,392	748,839	-	3,536,012	-	2,045,459	2,045,459	-
Total Business-Type Activities	31,549,565	19,811,831	129,282	23,227,221	-	11,618,769	11,618,769	-
Total Primary Government	89,097,604	30,286,638	7,867,756	45,627,406	(16,934,573)	11,618,769	(5,315,804)	-
COMPONENT UNITS								
Brighton Urban Renewal Authority	5,172,280	13,773	13,036	-	-	-	-	(5,145,471)
Brighton Cultural Arts Commission	93,853	85	153,944	-	-	-	-	60,176
Total Component Units	\$ 5,266,133	\$ 13,858	\$ 166,980	\$ -	-	-	-	(5,085,295)
GENERAL REVENUES								
Taxes					42,950,903	-	42,950,903	6,654,251
Investment Earnings					2,114,399	1,825,524	3,939,923	102,914
Miscellaneous					3,868,674	318,942	4,187,616	-
Sale of Capital Assets					84,449	(8,949)	75,500	-
Total General Revenues					49,018,425	2,135,517	51,153,942	6,757,165
Change in Net Position					32,083,852	13,754,286	45,838,138	1,671,870
Net Position--January 1					184,421,093	184,774,900	369,195,993	(949,990)
Net Position--December 31					\$ 216,504,945	\$ 198,529,186	\$ 415,034,131	\$ 721,880

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2020

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS					
Cash and Investments	\$ 41,406,537	\$ 17,303,262	\$ 13,773,189	\$ 15,056,807	\$ 87,539,795
Accounts Receivable	1,014,913	588,338	661,735	80,785	2,345,771
Taxes Receivable	6,698,062	1,052,962	921,886	18,476	8,691,386
Grants Receivable	175,165	168,827	777,820	-	1,121,812
Prepays	413,483	-	-	-	413,483
Total Assets	<u>\$ 49,708,160</u>	<u>\$ 19,113,389</u>	<u>\$ 16,134,630</u>	<u>\$ 15,156,068</u>	<u>\$ 100,112,247</u>
LIABILITIES					
Accounts Payable	\$ 592,485	\$ 480,480	\$ 119,656	\$ 213,111	\$ 1,405,732
Retainage Payable	-	178,726	-	-	178,726
Accrued Wages Payable	392,071	-	-	3,460	395,531
Accrued Liabilities	193,369	-	-	-	193,369
Deposits and Escrows	1,999,999	997,514	3,329	1,290,496	4,291,338
Total Liabilities	<u>3,177,924</u>	<u>1,656,720</u>	<u>122,985</u>	<u>1,507,067</u>	<u>6,464,696</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred Revenue-Property Taxes	3,841,203	-	-	-	3,841,203
Total Deferred Inflows of Resources	<u>3,841,203</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,841,203</u>
FUND BALANCES					
Nonspendable	413,483	-	-	-	413,483
Restricted	1,714,825	464,144	116,482	531,888	2,827,339
Committed	12,389,873	2,085,525	-	13,117,113	27,592,511
Assigned	-	14,907,000	15,895,163	-	30,802,163
Unassigned	28,170,852	-	-	-	28,170,852
Total Fund Balances	<u>42,689,033</u>	<u>17,456,669</u>	<u>16,011,645</u>	<u>13,649,001</u>	<u>89,806,348</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 49,708,160</u>	<u>\$ 19,113,389</u>	<u>\$ 16,134,630</u>	<u>\$ 15,156,068</u>	<u>\$ 100,112,247</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, 2020

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

Total fund balances - governmental funds		\$ 89,806,348
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	275,885,486	
Less: accumulated depreciation	<u>(125,671,033)</u>	150,214,453
Long-term assets are not available to pay current year expenditures and, therefore, are deferred in the fund statements.		
Note Receivable		2,510,000
Net Pension Asset		424,453
Deferred inflows related to unearned revenues are applicable to future periods and, therefore, are not reported in the governmental funds.		
Unearned Revenue-Land Lease		(1,522,013)
Deferred outflows and inflows of resources related to pension plans are applicable to future periods and, therefore, are not reported in the governmental funds.		
Items Related to Pension Plan-Outflow		2,883,735
Items Related to Pension Plan-Inflow		(675,559)
Long-term liabilities, including bonds payable and capital leases, are not due in the current period and, therefore, are not reported as liabilities in the governmental funds.		
Long-term debt net of premium	(27,841,251)	
Accrued interest on long-term debt	<u>(103,049)</u>	(27,944,300)
Accrued compensated absences are not due from current financial resources and, therefore, are not reported in the governmental funds.		
		(2,395,412)
Internal service funds are used by management to charge the costs of benefit activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
		<u>3,203,240</u>
Net position--governmental activities		<u><u>\$ 216,504,945</u></u>

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

CITY OF BRIGHTON, COLORADO
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	GENERAL FUND	CAPITAL IMPROVEMENT FUND	PARKS AND RECREATION CAPITAL FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES					
Taxes	\$ 32,236,510	\$ 6,089,762	\$ 4,377,457	\$ 247,174	\$ 42,950,903
Licenses and Permits	1,568,574	-	-	-	1,568,574
Grants and Intergovernmental	7,562,943	2,094,145	2,591,772	399,128	12,647,988
Charges for Services	5,777,624	-	-	2,695,384	8,473,008
Fines and Forfeitures	433,225	-	-	-	433,225
Investment Earnings	924,753	462,731	318,284	335,830	2,041,598
Miscellaneous	1,919,144	1,703,055	132,032	18,113	3,772,344
Total Revenues	<u>50,422,773</u>	<u>10,349,693</u>	<u>7,419,545</u>	<u>3,695,629</u>	<u>71,887,640</u>
EXPENDITURES					
Current					
General Government	16,358,277	1,852,588	-	476,543	18,687,408
Public Safety	13,939,050	260,298	-	-	14,199,348
Streets and Fleet	3,374,654	6,566,199	-	75,131	10,015,984
Parks and Recreation	5,978,325	49,987	2,695,036	682,069	9,405,417
Cemetery	-	-	-	505,467	505,467
Community Development	2,489,474	-	-	-	2,489,474
Debt Service					
Principal	-	1,373,763	150,349	-	1,524,112
Interest and Fees	-	642,254	1,257,364	-	1,899,618
Total Expenditures	<u>42,139,780</u>	<u>10,745,089</u>	<u>4,102,749</u>	<u>1,739,210</u>	<u>58,726,828</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>8,282,993</u>	<u>(395,396)</u>	<u>3,316,796</u>	<u>1,956,419</u>	<u>13,160,812</u>
OTHER FINANCING SOURCES (USES)					
Transfers In	376,000	2,594,663	-	251,000	3,221,663
Transfers Out	(250,000)	-	-	(2,750,663)	(3,000,663)
Certificates of Participation Refunding	-	5,288,732	13,906,268	-	19,195,000
Premium on Refunding	-	873,613	2,246,432	-	3,120,045
Payments to Escrow Agent	-	(6,078,414)	(15,932,700)	-	(22,011,114)
Total Other Financing Sources (Uses)	<u>126,000</u>	<u>2,678,594</u>	<u>220,000</u>	<u>(2,499,663)</u>	<u>524,931</u>
Net Change in Fund Balances	8,408,993	2,283,198	3,536,796	(543,244)	13,685,743
Fund Balances--January 1	<u>34,280,040</u>	<u>15,173,471</u>	<u>12,474,849</u>	<u>14,192,245</u>	<u>76,120,605</u>
Fund Balances--December 31	<u>\$ 42,689,033</u>	<u>\$ 17,456,669</u>	<u>\$ 16,011,645</u>	<u>\$ 13,649,001</u>	<u>\$ 89,806,348</u>

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, 2020

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

Net change in fund balances--total governmental funds	\$	13,685,743
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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.		157,349
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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	10,031,421	
Developer contributions	17,490,671	
Depreciation	<u>(10,540,430)</u>	16,981,662

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	424,453	
Items related to pension plan	<u>(368,848)</u>	55,605

The issuance of long-term debt provides current financial resources to governmental funds while the repayment of the principal consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Governmental funds report the effect of premiums, discounts, and similar items when the debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		1,393,543
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in compensated absences	(244,998)	
Change in accrued interest	50,599	
Accretion of bond premium	17,333	
Amortization of deferred charge on refunding	<u>(12,984)</u>	<u>(190,050)</u>

Change in net position--governmental activities	\$	<u><u>32,083,852</u></u>
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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, 2020

	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	\$ 41,194,623	\$ 21,648,517	\$ 4,536,247	\$ 67,379,387	\$ 3,579,547
Accounts Receivable	898,711	785,089	110,267	1,794,067	36,764
Inventories	116,761	-	-	116,761	75,138
Prepays	38,538	10,666	-	49,204	1,840
Total Current Assets	<u>42,248,633</u>	<u>22,444,272</u>	<u>4,646,514</u>	<u>69,339,419</u>	<u>3,693,289</u>
Noncurrent Assets					
Capital Assets					
Land and Water Rights	32,065,389	1,757,575	682,473	34,505,437	-
Building and Improvements	26,347,185	11,436,857	822,682	38,606,724	-
Collection and Distribution Systems	119,003,695	33,645,068	26,819,304	179,468,067	-
Machinery and Equipment	4,362,029	3,426,809	134,673	7,923,511	-
Other Assets	109,548	86,434	20,318	216,300	-
Less Accumulated Depreciation	(68,047,393)	(30,461,591)	(12,273,667)	(110,782,651)	-
Construction in Progress	5,287,428	9,815	3,258,887	8,556,130	-
Total Noncurrent Assets	<u>119,127,881</u>	<u>19,900,967</u>	<u>19,464,670</u>	<u>158,493,518</u>	<u>-</u>
Total Assets	<u>161,376,514</u>	<u>42,345,239</u>	<u>24,111,184</u>	<u>227,832,937</u>	<u>3,693,289</u>
LIABILITIES					
Current Liabilities					
Accounts Payable	2,290,105	448,842	72,135	2,811,082	172,577
Retainage Payable	126,175	-	-	126,175	-
Accrued Wages Payable	44,917	25,811	3,321	74,049	6,472
Accrued Interest Payable	60,384	18,687	-	79,071	-
Deposits and Escrows	122,253	306,550	802,454	1,231,257	-
Estimated Unpaid Claims	-	-	-	-	311,000
Compensated Absences, Current Portion	171,528	67,154	199	238,881	-
Bonds Payable, Current Portion	999,459	237,062	-	1,236,521	-
Total Current Liabilities	<u>3,814,821</u>	<u>1,104,106</u>	<u>878,109</u>	<u>5,797,036</u>	<u>490,049</u>
Noncurrent Liabilities					
Compensated Absences, Long Term Portion	32,451	12,705	38	45,194	-
Bonds Payable	17,941,285	5,520,236	-	23,461,521	-
Total Noncurrent Liabilities	<u>17,973,736</u>	<u>5,532,941</u>	<u>38</u>	<u>23,506,715</u>	<u>-</u>
Total Liabilities	<u>21,788,557</u>	<u>6,637,047</u>	<u>878,147</u>	<u>29,303,751</u>	<u>490,049</u>
NET POSITION					
Net Investment in Capital Assets	100,060,962	14,143,669	19,464,670	133,669,301	-
Unrestricted	39,526,995	21,564,523	3,768,367	64,859,885	3,203,240
Total Net Position	<u>\$ 139,587,957</u>	<u>\$ 35,708,192</u>	<u>\$ 23,233,037</u>	<u>\$ 198,529,186</u>	<u>\$ 3,203,240</u>

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
DECEMBER 31, 2020

	BUSINESS-TYPE ACTIVITIES				GOVERNMENTAL ACTIVITIES
	WATER FUND	WASTE WATER FUND	STORM DRAINAGE FUND	TOTAL ENTERPRISE FUNDS	INTERNAL SERVICE FUNDS
OPERATING REVENUES					
Charges For Services	\$ 12,259,736	\$ 6,803,256	\$ 748,839	\$ 19,811,831	\$ 5,871,310
Tap Fees	129,282	-	-	129,282	-
Miscellaneous	168,423	79,826	59,681	307,930	28,299
Total Operating Revenues	12,557,441	6,883,082	808,520	20,249,043	5,899,609
OPERATING EXPENSES					
Operations	10,600,358	4,339,242	190,143	15,129,743	594,350
Administration	4,559,031	1,942,311	481,084	6,982,426	468,015
Insurance Claims	-	-	-	-	3,810,892
Insurance Premiums	-	-	-	-	805,253
Depreciation	5,468,517	1,520,099	929,124	7,917,740	-
Total Operating Expenses	20,627,906	7,801,652	1,600,351	30,029,909	5,678,510
Operating Income (Loss)	(8,070,465)	(918,570)	(791,831)	(9,780,866)	221,099
NONOPERATING REVENUES (EXPENSES)					
Grants	11,012	-	-	11,012	-
Developer Reimbursements	-	-	(639,041)	(639,041)	-
Sale of Capital Assets	(8,949)	-	-	(8,949)	84,449
Investment Earnings	1,093,748	565,774	166,002	1,825,524	72,801
Interest Expense	(665,431)	(215,184)	-	(880,615)	-
Total Nonoperating Revenues (Expenses)	430,380	350,590	(473,039)	307,931	157,250
Income (Loss) Before Capital Contributions and Transfers	(7,640,085)	(567,980)	(1,264,870)	(9,472,935)	378,349
TRANSFERS OUT	-	-	-	-	(221,000)
CAPITAL CONTRIBUTIONS	17,177,413	2,513,796	3,536,012	23,227,221	-
Change in Net Position	9,537,328	1,945,816	2,271,142	13,754,286	157,349
Net Position--January 1	130,050,629	33,762,376	20,961,895	184,774,900	3,045,891
Net Position--December 31	\$ 139,587,957	\$ 35,708,192	\$ 23,233,037	\$ 198,529,186	\$ 3,203,240

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, 2020

	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	\$ 12,904,025	\$ 7,238,023	\$ 792,535	20,934,583	\$ 5,836,665
Other Receipts	168,423	79,826	59,681	307,930	28,299
Payments to Suppliers and Service Providers	(9,680,564)	(5,119,180)	(389,388)	(15,189,132)	(465,112)
Payments to Employees For Salaries and Benefits	(4,495,518)	(1,958,024)	(480,537)	(6,934,079)	(5,037,064)
Net Cash Provided By (Used In) Operating Activities	(1,103,634)	240,645	(17,709)	(880,698)	362,788
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers From Other Funds	-	-	-	-	(221,000)
Net Cash Provided by Noncapital Financing Activities	-	-	-	-	(221,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital Contributions	14,457,070	390,035	1,028,563	15,875,668	-
Grants	11,012	-	-	11,012	-
Acquisition and Construction of Capital Assets	(14,561,740)	(1,074,139)	(2,491,672)	(18,127,551)	-
Developer Reimbursements	-	-	(639,041)	(639,041)	-
Proceeds on Sale of Capital Assets	-	-	-	-	84,449
Principal Paid on Capital Debt	(968,637)	(231,893)	-	(1,200,530)	-
Interest Paid on Capital Debt	(718,860)	(225,256)	-	(944,116)	-
Net Cash Provided By (Used In) Capital and Related Financing Activities	(1,781,155)	(1,141,253)	(2,102,150)	(5,024,558)	84,449
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds From Sale of Investments	1,093,748	585,026	166,002	1,844,776	72,801
Net Cash Provided By Investing Activities	1,093,748	585,026	166,002	1,844,776	72,801
Net Increase (Decrease) in Cash and Cash Equivalents	(1,791,041)	(315,582)	(1,953,857)	(4,060,480)	299,038
Cash and Cash Equivalents--January 1	42,985,664	21,964,099	6,490,104	71,439,867	3,280,509
Cash and Cash Equivalents--December 31	<u>\$ 41,194,623</u>	<u>\$ 21,648,517</u>	<u>\$ 4,536,247</u>	<u>\$ 67,379,387</u>	<u>\$ 3,579,547</u>
Reconciliation of operating income (loss) to net cash provided by operating activities:					
Operating Income (loss)	\$ (8,070,465)	\$ (918,570)	\$ (791,831)	\$ (9,780,866)	\$ 221,099
Adjustments to Reconcile Operating Income (loss) to Net Cash Provided By (Used In) Operating Activities:					
Depreciation Expense	5,468,517	1,520,099	929,124	7,917,740	-
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	515,007	434,767	43,696	993,470	(34,645)
(Increase) in Inventories	(11,002)	-	-	(11,002)	(21,538)
(Increase) in Prepaid Items	(38,538)	(10,666)	-	(49,204)	(1,840)
(Decrease) Increase in Accounts Payable	896,583	(14,225)	(262,923)	619,435	150,904
Increase in Retainage Payable	126,175	-	-	126,175	-
Increase in Accrued Wages Payable	23,275	8,129	1,672	33,076	2,903
(Decrease) Increase in Unpaid Claims	-	-	-	-	45,905
(Decrease) Increase in Compensated Absences	40,238	(23,842)	(1,125)	15,271	-
(Decrease) Increase in Deposits and Escrows	(53,424)	(755,047)	63,678	(744,793)	-
Total Adjustments	6,966,831	1,159,215	774,122	8,900,168	141,689
Net Cash Provided by (Used In) Operating Activities	<u>\$ (1,103,634)</u>	<u>\$ 240,645</u>	<u>\$ (17,709)</u>	<u>\$ (880,698)</u>	<u>\$ 362,788</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, 2020

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	TOTAL
ASSETS			
Cash and Investments	\$ 4,388,532	\$ 297,555	\$ 4,686,087
Restricted Cash and Investments	2,490,965	-	2,490,965
Accounts Receivable	56,106	-	56,106
Taxes Receivable	5,068,416	-	5,068,416
Prepaid Items	1,670	-	1,670
Land Held for Sale	1,625,000	-	1,625,000
Total Assets	<u>\$ 13,630,689</u>	<u>\$ 297,555</u>	<u>\$ 13,928,244</u>
LIABILITIES			
Accounts Payable	\$ 19,837	\$ -	\$ 19,837
Sales Tax Rebate Payable	974,403	-	974,403
Accrued Wages Payable	2,067	-	2,067
Accrued Liabilities	-	99,113	99,113
Deposits and Escrows	1,363,887	-	1,363,887
Total Liabilities	<u>2,360,194</u>	<u>99,113</u>	<u>2,459,307</u>
DEFERRED INFLOWS OF RESOURCES			
Unearned Revenue-Property Taxes	5,068,416	-	5,068,416
Total Deferred Inflows of Resources	<u>5,068,416</u>	<u>-</u>	<u>5,068,416</u>
FUND BALANCES			
Nonspendable	1,626,670	-	1,626,670
Restricted	2,490,965	-	2,490,965
Unassigned	2,084,444	198,442	2,282,886
Total Fund Balances	<u>6,202,079</u>	<u>198,442</u>	<u>6,400,521</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,630,689</u>	<u>\$ 297,555</u>	<u>\$ 13,928,244</u>
Amount Reported in the Statement of Net Position is Different:			
Total Fund Balances	\$ 6,202,079	\$ 198,442	\$ 6,400,521
Capital Assets, Net of Accumulated Depreciation	3,387,275	-	3,387,275
Deferred Charge on Refunding	161,566	-	161,566
Compensated Absences	(10,023)	-	(10,023)
Accrued Interest	(77,459)	-	(77,459)
Long-Term Debt	(9,140,000)	-	(9,140,000)
Total Net Position	<u>\$ 523,438</u>	<u>\$ 198,442</u>	<u>\$ 721,880</u>

CITY OF BRIGHTON, COLORADO
COMPONENT UNITS - COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BRIGHTON URBAN RENEWAL AUTHORITY	BRIGHTON CULTURAL ARTS COMMISSION	TOTAL
REVENUES			
Sales Tax	\$ 1,497,999	\$ -	\$ 1,497,999
Property Tax	5,156,252	-	5,156,252
Grants and Intergovernmental	13,036	153,944	166,980
Charges for Services	13,773	85	13,858
Investment Earnings	97,581	5,333	102,914
Total Revenues	<u>6,778,641</u>	<u>159,362</u>	<u>6,938,003</u>
EXPENDITURES			
Personal Services	328,824	-	328,824
Purchased Services	26,990	-	26,990
Operating Expenses	237,733	93,853	331,586
Capital Outlay	7,503	-	7,503
Tax Rebates and Incentives	4,048,928	-	4,048,928
Debt Service			
Principal	825,000	-	825,000
Interest and Fiscal Charges	260,925	-	260,925
Loan Fees	2,000	-	2,000
Total Expenditures	<u>5,737,903</u>	<u>93,853</u>	<u>5,831,756</u>
Net Change in Fund Balances	1,040,738	65,509	1,106,247
Fund Balances--January 1	<u>5,161,341</u>	<u>132,933</u>	<u>5,294,274</u>
Fund Balances--December 31	<u>\$ 6,202,079</u>	<u>\$ 198,442</u>	<u>\$ 6,400,521</u>
Amount Reported In the Statement of Activities is Different:			
Net Change in Fund Balances	\$ 1,040,738	\$ 65,509	\$ 1,106,247
Change in Accrued Interest	(7,632)	-	(7,632)
Depreciation Expense	(229,035)	-	(229,035)
Debt Principal Payments	825,000	-	825,000
Change in Accrued Compensated Absences	2,113	-	2,113
Amortization of Loss on Refunding	(24,823)	-	(24,823)
Change in Net Position	<u>\$ 1,606,361</u>	<u>\$ 65,509</u>	<u>\$ 1,671,870</u>

Notes to the Basic Financial Statements

CITY OF BRIGHTON, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2020

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 for certain entities. These entities do not issue separate financial statements.

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

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

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.

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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 voters in 1976.
- The Parks and Recreation Capital Improvement Fund accounts for the City's parks and recreation capital projects which are financed by a 0.6% sales tax approved by voters in 1991, and intergovernmental revenues.

The City reports the following major proprietary funds 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.

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

The City reports the following internal service funds:

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

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

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.

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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 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.

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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.

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

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

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

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

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

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

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Cemetery Perpetual Care Fund. Restricted Fund Balances indicate amounts that can be spent only for the specific purposes stipulated by external resource providers such as grantors, or enabling legislation. Restrictions may be changed or lifted only with the consent of the resource providers. Committed Fund Balances indicate amounts that can be used only for the specific purposes determined by a formal action of the City Council the City's highest level of decision making authority. Commitments may be changed or lifted only by the City Council taking the same formal action that imposed the constraint.

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

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

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

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

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Ensuing Collection Year

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

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

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

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

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

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

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 2020, the required reserve of 3% of current year spending, excluding voter approved amounts, federal revenues, bond proceeds, and other restrictions under TABOR, totaled \$1,681,659.

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

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in trust for all uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured deposits. All deposits in 2020 were in eligible public depositories, as defined by the Public Deposit Protection Act of 1989.

At December 31, 2020, the City and Component Units' deposits had a carrying value of \$9,950,425 and a bank balance of \$13,181,851. Of the bank balances, \$500,000 was covered by FDIC insurance with the remaining 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
- Corporate notes
- Local government investment pools
- Certain money market funds

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

The City and its component units had the following investments at December 31, 2020:

Investment Type	Measurement	S&P Rating	Total	< 1 Year	2-3 Years	4-5 Years
U.S. Government Treasuries	Fair Value - Level 1	AA+	\$ 46,098,237	\$13,750,759	\$18,935,208	\$13,412,270
Supra National Agency	Fair Value - Level 2	AAA	5,975,278	2,646,733	3,328,545	-
Municipal Bond	Fair Value - Level 2	AA- to AAA	9,893,269	1,900,992	4,377,275	3,615,002
U.S. Government Agencies	Fair Value - Level 2	AA+	24,231,579	4,315,756	8,370,116	11,545,707
Corporate Notes	Fair Value - Level 2	AA to AAA	5,369,745	3,320,668	2,049,077	-
Certificate of Deposit	Fair Value - Level 2	A+ to AA-	3,158,648	-	3,158,648	-
WF Government MM Fund	Net Asset Value	AAAm	22,137,701	22,137,701	-	-
Colotrust	Net Asset Value	AAAm	26,560,623	26,560,623	-	-
CSIP	Net Asset Value	AAAm	75,721	75,721	-	-
Federated Gov't Obligations	Net Asset Value	AAAm	3	3	-	-
CSAFE	Amortized Cost	AAAm	12,224,552	12,224,552	-	-
Total			\$155,725,356	\$86,933,508	\$40,218,869	\$28,572,979
% of Total				56%	26%	18%

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

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

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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, 2020, the City's investment 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 CSAFE Cash pool operates in conformity with the Securities and Exchange Commission's Rule 2a-7 as promulgated under the Investment Company Act of 1940, as amended. The CSAFE Cash and ColoTrust pools are rated AAAM by Standard and Poor's; CSAFE Colorado Core is rated AAAs/S1 by Fitch. Each pool maintains a stable share price. Investments of the pools are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services. The custodian's internal records identify the investments owned by the participating governments.

NOTE 4. CAPITAL ASSETS

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

DESCRIPTION	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES
General Government	\$ 1,221,497	\$ -
Public Safety	682,376	-
Public Works	6,117,290	-
Eagle View Adult Center	280,896	-
Recreation Center	252,020	-
Parks	1,932,339	-
Cemetery	50,295	-
Community Development	3,717	-
Water	-	5,468,516
Wastewater	-	1,520,099
Storm Drainage	-	929,124
Total Depreciation Expense	<u>\$ 10,540,430</u>	<u>\$ 7,917,739</u>

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Capital asset activity for the year ended December 31, 2020, is summarized, as follows:

GOVERNMENTAL ACTIVITIES	BALANCE 12/31/19	ADDITIONS	DELETIONS	BALANCE 12/31/20
Capital Assets, Not Being Depreciated				
Land	\$26,363,103	\$ 2,168,343	\$ -	\$28,531,446
Water rights	2,036,050	-	-	2,036,050
Construction in Progress	3,826,082	4,735,523	(1,225,539)	7,336,066
Total Capital Assets, Not Being Depreciated	32,225,235	6,903,866	(1,225,539)	37,903,562
Capital Assets, Being Depreciated				
Building and Improvements	96,765,199	2,741,421	-	99,506,620
Infrastructure	96,572,952	9,330,344	(4,210,349)	101,692,947
Improvements Other Than Buildings	-	14,906,510	-	14,906,510
Other Assets	866,830	51,600	-	918,430
Machinery and Equipment	21,013,344	2,402,134	(2,458,061)	20,957,417
Total Capital Assets, Being Depreciated	215,218,325	29,432,009	(6,668,410)	237,981,924
Less Accumulated Depreciation				
Building and Improvements	60,492,336	3,702,303	-	64,194,639
Infrastructure	42,236,771	3,983,129	(5,691,097)	40,528,803
Improvements Other Than Buildings	-	6,719,664	-	6,719,664
Other Assets	575,165	22,878	-	598,043
Machinery and Equipment	12,494,927	1,803,553	(668,596)	13,629,884
Total Accumulated Depreciation	115,799,199	16,231,527	(6,359,693)	125,671,033
Total Capital Assets, Being Depreciated, Net	99,419,126	13,200,482	(308,717)	112,310,891
Governmental Activities Capital Assets, Net	\$ 131,644,361	\$ 20,104,348	\$ (1,534,256)	\$ 150,214,453

Reclassification of Assets – In 2020, the City reclassified assets resulting in a net deletion of \$5,969,901 from Infrastructure and Machinery and Equipment and a corresponding addition to Improvements Other Than Buildings. The change in accumulated depreciation reported is a deletion of \$5,691,097 from Infrastructure and a corresponding addition of accumulated depreciation to Improvements Other Than Buildings.

RMCC Land Purchase – The City entered into an agreement with Ready Mixed Concrete Company to purchase land. The agreement is known as the Boral Close-Out and facilitated the completion of the Colorado Front Range Trail, connecting Brighton to Denver by bike path. The agreement provided an easement for the bike path while allowing RMCC to lease the land for seven years at which time RMCC will restore the land to open space and vacate the property. The City recorded land purchased at \$1,618,343 and unearned revenue for the same amount. Beginning in August 2020, the City will recognize lease revenue in equal monthly amounts for eighty-four months (until the lease expires).

BRIGHTON URBAN RENEWAL AUTHORITY	BALANCE 12/31/19	ADDITIONS	DELETIONS	BALANCE 12/31/20
Capital Assets, Being Depreciated				
Building and Improvements	\$ 5,599,815	\$ -	\$ -	5,599,815
Machinery and Equipment	138,905	-	-	138,905
Total Capital Assets, Being Depreciated	5,738,720	-	-	5,738,720
Less Accumulated Depreciation				
Building and Improvements	2,059,282	222,601	-	2,281,883
Machinery and Equipment	63,128	6,434	-	69,562
Total Accumulated Depreciation	2,122,410	229,035	-	2,351,445
Total Capital Assets, Being Depreciated, Net	3,616,310	(229,035)	-	3,387,275
BURA Activities Capital Assets, Net	\$ 3,616,310	\$ (229,035)	\$ -	\$ 3,387,275

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BUSINESS -TYPE ACTIVITIES	BALANCE 12/31/19	ADDITIONS	DELETIONS	BALANCE 12/31/20
Capital Assets, Not Being Depreciated				
Land	\$ 9,513,128	\$ -	-	\$ 9,513,128
Water Rights	22,204,328	2,787,981	-	24,992,309
Construction in Progress	3,626,314	7,111,507	(2,181,691)	8,556,130
Total Capital Assets, Not Being Depreciated	35,343,770	9,899,488	(2,181,691)	43,061,567
Capital Assets, Being Depreciated				
Building and Improvements	37,844,004	762,720	-	38,606,724
Collection and Distribution Systems	163,659,053	15,809,014	-	179,468,067
Machinery and Equipment	7,041,556	1,206,058	(324,103)	7,923,511
Other Assets	216,300	-	-	216,300
Total Capital Assets, Being Depreciated	208,760,913	17,777,792	(324,103)	226,214,602
Less Accumulated Depreciation				
Building and Improvements	24,770,148	1,235,759	-	26,005,907
Collection and Distribution Systems	74,130,309	5,927,081	-	80,057,390
Machinery and Equipment	4,071,282	752,863	(315,154)	4,508,991
Other Assets	208,327	2,036	-	210,363
Total Accumulated Depreciation	103,180,066	7,917,739	(315,154)	110,782,651
Total Capital Assets, Being Depreciated, Net	105,580,847	9,860,053	(8,949)	115,431,951
Business-Type Activities Capital Assets, Net	\$ 140,924,617	\$ 19,759,541	\$ (2,190,640)	\$ 158,493,518

NOTE 5. INTERFUND TRANSACTIONS

The composition of interfund transfers as of December 31, 2020 is as follows:

TRANSFER IN FUND	TRANSFER OUT FUND	AMOUNT
General	Landscaping	\$ 6,000
Capital Improvement	Impact Fees	2,493,663
General	Lottery	250,000
Cemetery	General	250,000
General	Benefits	120,000
Cemetery Perpetual	Cemetery Fund	1,000
Capital Improvement	Fleet	101,000
	Total	<u>\$ 3,221,663</u>

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

CITY OF BRIGHTON, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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NOTE 6. LONG-TERM DEBT

GOVERNMENTAL ACTIVITIES – LONG-TERM DEBT TRANSACTIONS

	BALANCE 12/31/19	INCREASES	DECREASES	BALANCE 12/31/20	DUE WITHIN ONE YEAR
2010 Certificates of Participation	\$ 22,940,000	\$ -	\$ 22,940,000	\$ -	\$ -
2016 Certificates of Participation	4,974,080	-	377,827	4,596,253	389,299
2020 Certificates of Participation	-	19,195,000	-	19,195,000	730,000
Debt Premium	99,578	3,120,045	116,911	3,102,712	-
2017 Capital Lease	1,172,051	-	224,765	947,286	229,488
Compensated Absences	2,150,415	1,521,084	1,276,087	2,395,412	2,014,325
Total	<u>\$31,336,124</u>	<u>\$ 23,836,129</u>	<u>\$ 24,935,590</u>	<u>\$30,236,663</u>	<u>\$ 3,363,112</u>

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

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.

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.

2020 Certificates of Participation

During September 2020, the City issued \$19,195,000 Certificates of Participation, Series 2020, to refund the outstanding Certificates of Participation, Series 2010A and 2010B. The 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, 2020 was \$0. The 2010 Series were issued to finance the costs of constructing an adult recreation center, aquatic park, purchase and rehabilitate a building to be used as the Main City Hall, acquire open space land and develop vacant land into a park.

CITY OF BRIGHTON, COLORADO
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Principal payments on the 2020 Certificates of Participation are due annually, beginning June 1, 2021, through 2035. Interest is due semi-annually on June 1 and December 1. Interest accrues at rates ranging from 3% to 4% per annum.

Annual debt service requirements for the outstanding 2020 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, 2020, were as follows:

Year Ending December 31,	Certificates of Participation				Master Lease	
	2020 Principal	2020 Interest	2016 Principal	2016 Interest	2017 Principal	2017 Interest
2021	\$ 730,000	\$ 847,061	\$ 389,299	\$ 123,642	\$ 229,488	\$ 18,605
2022	895,000	684,950	401,125	111,815	234,309	13,784
2023	930,000	649,150	413,320	99,621	239,232	8,861
2024	970,000	611,950	425,892	87,048	244,257	3,835
2025	1,025,000	573,150	438,856	74,085	-	-
2026-2030	6,205,000	2,195,350	2,092,361	193,977	-	-
2031-2035	8,440,000	835,900	435,398	7,951	-	-
Total	<u>\$ 19,195,000</u>	<u>\$ 6,397,511</u>	<u>\$ 4,596,253</u>	<u>\$ 698,138</u>	<u>\$ 947,286</u>	<u>\$ 45,085</u>

BUSINESS-TYPE ACTIVITIES - LONG TERM DEBT TRANSACTIONS

	BALANCE 12/31/19	INCREASES	DECREASES	BALANCE 12/31/20	DUE WITHIN ONE YEAR
2016 Revenue Bonds	\$23,965,000	\$ -	\$ 1,160,000	\$22,805,000	\$ 1,195,000
2016 Certificates of Participation	925,001	-	40,529	884,471	41,521
Bond Premium	1,068,785	-	60,213	1,008,572	-
Compensated Absences	236,353	231,947	184,225	284,075	238,881
Total	<u>\$26,195,139</u>	<u>\$ 231,947</u>	<u>\$ 1,444,967</u>	<u>\$24,982,118</u>	<u>\$ 1,475,402</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.

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.

CITY OF BRIGHTON, COLORADO
NOTES TO THE BASIC FINANCIAL STATEMENTS
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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, 2020, were as follows:

Year Ending December 31,	2016A Certificates of Participation		2016 Enterprise Bonds	
	Principal	Interest	Principal	Interest
2021	\$ 41,521	\$ 21,242	\$ 1,195,000	\$ 885,125
2022	42,535	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	45,733	17,030	1,245,000	771,150
2026-2030	536,485	55,694	6,440,000	3,022,675
2031-2035	129,980	2,374	7,105,000	1,422,825
2036-2037	-	-	3,080,000	124,000
Total	\$ 884,471	\$ 153,876	\$ 22,805,000	\$ 8,705,200

COMPONENT UNIT, BURA - LONG TERM DEBT TRANSACTIONS

	BALANCE 12/31/19	INCREASES	DECREASES	BALANCE 12/31/20	DUE WITHIN ONE YEAR
2015 Tax Increment Bonds	\$ 7,455,000	\$ -	\$ 825,000	\$ 6,630,000	\$ 850,000
Loan Payable--City of Brighton	2,510,000	-	-	2,510,000	-
Compensated Absences	12,136	8,617	10,730	10,023	8,429
Total	\$ 9,977,136	\$ 8,617	\$ 835,730	\$ 9,150,023	\$ 858,429

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.

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

CITY OF BRIGHTON, COLORADO
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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, 2020 are as follows:

Year Ending December 31,	2015 Tax Increment Revenue Bonds	
	Principal	Interest
2021	\$ 850,000	\$ 232,050
2022	880,000	202,300
2023	915,000	171,500
2024	945,000	139,475
2025	980,000	106,400
2026-2027	2,060,000	108,850
Total	<u>\$ 6,630,000</u>	<u>\$ 960,575</u>

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 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.

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

Contributions

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute, the FPPA Board may increase contribution rates equally between employee and employer upon approval through an election of members and employers. Members of the SWDB plan and their employers contributed at a rate of 8 percent of base salary for a total contribution rate of 16 percent through 2014. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions were 8 percent through 2020 and will increase 0.5 percent annually through 2030 to a total of 13 percent.

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

Basis of Presentation

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

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

At December 31, 2020, the City reported a net pension asset of \$424,453 for its proportional share of the net pension asset. The net pension asset was measured as of December 31, 2019, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of January 1, 2020 and a measurement date of December 31, 2019. The City's proportion of the net pension asset was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2020, the City's proportion was 0.75 percent, which was a decrease of .05 from its proportion measured as of December 31, 2019.

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At December 31, 2020, 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	\$ 1,436,427	\$ 8,308
Change in Assumptions	805,946	-
Difference Projected and Actual Investment Earnings	-	667,250
and Proportionate Share Contributions	198,850	-
City Contributions Subsequent to Measurement Date	442,512	-
	<u>\$ 2,883,735</u>	<u>\$ 675,559</u>

\$442,512 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2020	\$ 149,005
2021	115,699
2022	332,770
2023	51,213
2024	335,935
Thereafter	781,042
	<u>\$ 1,765,664</u>

Actuarial Assumptions

The January 1, 2020 actuarial valuation was used to determine the Actuarially Determined Contribution for the fiscal year ending December 31, 2019. 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, 2019 is based upon the January 1, 2020 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

CITY OF BRIGHTON, COLORADO
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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, 2019 are summarized in the following table:

Asset Class	Target Allocation	Expected Real Rate of Return
Global Equity	38%	7.00%
Equity Long/Short	8%	6.00%
Illiquid Alternatives	25%	9.20%
Fixed Income	15%	5.20%
Absolute Return	8%	5.50%
Managed Futures	4%	5.00%
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.

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)	\$ 2,573,550	\$ (424,453)	\$(2,910,900)

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%.

CITY OF BRIGHTON, COLORADO
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The following contributions were made by the City and Officers in the last three years:

<u>YEAR</u> <u>ENDED</u>	<u>DEFINED BENEFIT PLAN</u> <u>REQUIRED CONTRIBUTIONS</u>		<u>DEFERRED 457 PLAN</u> <u>REQUIRED CONTRIBUTIONS</u>	
<u>DECEMBER 31,</u>	<u>CITY</u>	<u>EMPLOYEES</u>	<u>CITY</u>	<u>EMPLOYEES</u>
2020	544,673	752,665	49,707	134,407
2019	442,512	597,794	38,163	67,334
2018	425,329	523,321	34,760	47,179

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 2020, 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, 2020, the City and employee contributions were \$1,662,057 each, equal to the required contributions.

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

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

NOTE 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.

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It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members. CIRSA is a separate legal entity and the City does not approve budgets nor does it have the ability to significantly affect the operations of CIRSA.

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

Self-Funded Health Plan - The City established a self-funded health plan effective January 1, 2014. The purpose of the program is to pay the health claims of eligible City employees and their covered dependents. As of January 1, 2014 the City entered into an administrative services only arrangement with United Health Care, whereby the City pays United Health Care a separate amount for administrative costs and claim servicing fees. The City agrees to provide monthly funding for the payment of claims. At the end of the year, the City retains any money not spent on claims. The following is a summary of changes in the City's estimated unpaid claims as of December 31, 2020.

	<u>2020</u>
Estimated unpaid claims, January 1	\$ 265,095
Incurred Claims	3,810,892
Claims Payments	<u>(3,764,987)</u>
Estimated unpaid claims, December 31	<u>\$ 311,000</u>

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

CITY OF BRIGHTON, COLORADO
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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 2020, the City paid \$3,299,042 and BURA (component unit) paid \$2,685,167 in tax abatements.

NOTE 9. PENDING GASB PRONOUNCEMENTS

As of December 31, 2020, 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, 2022, with earlier adoption encouraged. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments.

GASB Statement No. 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.

NOTE 10. SUBSEQUENT EVENT

In February 2021, The Brighton Urban Renewal Authority (BURA) repaid a loan due to the City. The Note was due in September 2022 for \$2.5M plus interest. The City recognized this loan repayment in the Capital Improvement Fund in February 2021 for \$2,510,000 in principal and \$58,959 in interest.

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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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 21,783,775	\$ 21,783,775	\$ 20,756,638	\$ (1,027,137)
Use	5,883,471	5,883,471	6,559,559	676,088
Property	3,406,545	3,406,545	3,608,139	201,594
Franchise	1,429,801	1,429,801	1,302,672	(127,129)
Other	30,000	30,000	9,502	(20,498)
Total Taxes	<u>32,533,592</u>	<u>32,533,592</u>	<u>32,236,510</u>	<u>(297,082)</u>
Licenses and Permits	1,732,500	1,732,500	1,568,574	(163,926)
Grants and Intergovernmental	3,291,375	4,291,375	7,562,943	3,271,568
Charges for Services	6,698,917	6,698,917	5,777,624	(921,293)
Fines and Forfeitures	500,000	500,000	433,225	(66,775)
Investment Earnings	665,019	665,019	924,753	259,734
Miscellaneous	2,689,032	2,689,032	1,919,144	(769,888)
Total Revenues	<u>48,110,435</u>	<u>49,110,435</u>	<u>50,422,773</u>	<u>1,312,338</u>
EXPENDITURES				
General Government	14,188,912	15,188,912	16,358,277	(1,169,365)
Public Safety	13,775,575	13,775,575	13,939,050	(163,475)
Streets and Fleet	3,988,172	3,988,172	3,374,654	613,518
Parks and Recreation	7,777,871	7,777,871	5,978,325	1,799,546
Community Development	2,893,813	2,893,813	2,489,474	404,339
Total Expenditures	<u>42,624,343</u>	<u>43,624,343</u>	<u>42,139,780</u>	<u>1,484,563</u>
Excess of Revenues Over Expenditures	<u>5,486,092</u>	<u>5,486,092</u>	<u>8,282,993</u>	<u>2,796,901</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	376,000	376,000	376,000	-
Transfers Out	(250,000)	(250,000)	(250,000)	-
Total Other Financing Sources (Uses)	<u>126,000</u>	<u>126,000</u>	<u>126,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 5,612,092</u>	<u>\$ 5,612,092</u>	<u>8,408,993</u>	<u>\$ 2,796,901</u>
Fund Balance--January 1			<u>34,280,040</u>	
Fund Balance--December 31			<u>\$ 42,689,033</u>	

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)*
DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Employer's proportion of the net pension liability (asset)	0.75%	0.80%	0.87%	0.92%	0.92%	0.89%
Employer's proportion of the net pension liability (asset)	\$ (424,453)	\$ 1,010,168	\$ (1,257,827)	\$ 333,079	\$ (16,218)	\$ (934,282)
Employer's covered payroll	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067	\$ 3,616,646
Employer's proportion of the net pension liability (asset) as a percentage of its covered payroll	-8.18%	20.41%	-27.62%	8.17%	-0.40%	-25.83%
Plan fiduciary net position as a percentage of the total pension liability	101.90%	95.20%	106.30%	98.21%	100.10%	106.80%

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

CITY OF BRIGHTON, COLORADO
SCHEDULE OF EMPLOYER CONTRIBUTIONS*
DECEMBER 31, 2020

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Statutorily required contribution	\$ 442,512	\$ 428,178	\$ 425,329	\$ 395,604	\$ 355,996	\$ 357,826	\$ 321,048
Contributions in relation to the statutorily required contribution	<u>442,512</u>	<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>	<u>\$ -</u>
Employer's covered payroll	\$ 6,449,721	\$ 5,188,357	\$ 4,949,607	\$ 4,553,362	\$ 4,074,515	\$ 4,067,067	\$ 3,613,646
Contributions as a percentage of covered payroll	6.86%	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 were 8.00% from 2014 through 2020. Employer contribution rates will increase 0.50% annually through 2028 when the employer contribution rate will reach 12.00%.

Changes of benefits

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

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

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.

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL CARE FUND	
ASSETS								
Cash and Investments	\$ 271,038	\$ 220,620	\$ 306,078	\$ 733,884	\$ 297,274	\$ 11,301,371	\$ 1,926,542	\$ 15,056,807
Accounts Receivable	-	-	74,501	-	-	6,284	-	80,785
Taxes Receivable	-	-	-	-	18,476	-	-	18,476
Total Assets	<u>\$ 271,038</u>	<u>\$ 220,620</u>	<u>\$ 380,579</u>	<u>\$ 733,884</u>	<u>\$ 315,750</u>	<u>\$ 11,307,655</u>	<u>\$ 1,926,542</u>	<u>\$ 15,156,068</u>
LIABILITIES								
Accounts Payable	-	21,901	3,634	-	-	187,576	-	213,111
Accrued Wages Payable	-	-	3,460	-	-	-	-	3,460
Deposits and Escrows	226,190	-	19,000	-	-	1,045,306	-	1,290,496
Total Liabilities	<u>226,190</u>	<u>21,901</u>	<u>26,094</u>	<u>-</u>	<u>-</u>	<u>1,232,882</u>	<u>-</u>	<u>1,507,067</u>
FUND BALANCES								
Restricted	-	198,719	15,165	2,254	315,750	-	-	531,888
Committed	44,848	-	339,320	731,630	-	10,074,773	1,926,542	13,117,113
Total Fund Balances	<u>44,848</u>	<u>198,719</u>	<u>354,485</u>	<u>733,884</u>	<u>315,750</u>	<u>10,074,773</u>	<u>1,926,542</u>	<u>13,649,001</u>
Total Liabilities and Fund Balances	<u>\$ 271,038</u>	<u>\$ 220,620</u>	<u>\$ 380,579</u>	<u>\$ 733,884</u>	<u>\$ 315,750</u>	<u>\$ 11,307,655</u>	<u>\$ 1,926,542</u>	<u>\$ 15,156,068</u>

CITY OF BRIGHTON, COLORADO
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	SPECIAL REVENUE FUNDS						PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
	LANDSCAPING FUND	LOTTERY FUND	CEMETERY FUND	HIGHWAY FUND	LODGING TAX FUND	IMPACT FEES FUND	CEMETERY PERPETUAL CARE FUND	
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 247,174	\$ -	\$ -	\$ 247,174
Grants and Intergovernmental	-	399,128	-	-	-	-	-	399,128
Charges for Services	-	-	403,037	-	-	2,202,082	90,265	2,695,384
Investment Earnings	6,687	9,856	10,672	20,080	9,798	232,222	46,515	335,830
Miscellaneous/Other	-	-	18,113	-	-	-	-	18,113
Total Revenues	<u>6,687</u>	<u>408,984</u>	<u>431,822</u>	<u>20,080</u>	<u>256,972</u>	<u>2,434,304</u>	<u>136,780</u>	<u>3,695,629</u>
EXPENDITURES								
Current								
General Government	-	-	-	-	303,259	173,284	-	476,543
Cemetery	-	-	505,467	-	-	-	-	505,467
Capital Outlay	-	682,069	-	75,131	-	-	-	757,200
Total Expenditures	<u>-</u>	<u>682,069</u>	<u>505,467</u>	<u>75,131</u>	<u>303,259</u>	<u>173,284</u>	<u>-</u>	<u>1,739,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>6,687</u>	<u>(273,085)</u>	<u>(73,645)</u>	<u>(55,051)</u>	<u>(46,287)</u>	<u>2,261,020</u>	<u>136,780</u>	<u>1,956,419</u>
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	250,000	-	-	-	1,000	251,000
Transfers Out	(6,000)	(250,000)	(1,000)	-	-	(2,493,663)	-	(2,750,663)
Total Other Financing Sources (Uses)	<u>(6,000)</u>	<u>(250,000)</u>	<u>249,000</u>	<u>-</u>	<u>-</u>	<u>(2,493,663)</u>	<u>1,000</u>	<u>(2,499,663)</u>
Net Change in Fund Balances	687	(523,085)	175,355	(55,051)	(46,287)	(232,643)	137,780	(543,244)
Fund Balances--January 1	<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>14,192,245</u>
Fund Balances--December 31	<u>\$ 44,848</u>	<u>\$ 198,719</u>	<u>\$ 354,485</u>	<u>\$ 733,884</u>	<u>\$ 315,750</u>	<u>\$ 10,074,773</u>	<u>\$ 1,926,542</u>	<u>\$ 13,649,001</u>

CITY OF BRIGHTON, COLORADO
LANDSCAPING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Investment Earnings	\$ 2,500	\$ 2,500	\$ 6,687	\$ 4,187
Total Revenues	<u>2,500</u>	<u>2,500</u>	<u>6,687</u>	<u>4,187</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>\$ (3,500)</u>	<u>\$ (3,500)</u>	687	<u>\$ 4,187</u>
 Fund Balance--January 1			<u>44,161</u>	
 Fund Balance--December 31			<u>\$ 44,848</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	\$ 384,810	\$ 384,810	\$ 399,128	\$ 14,318
Investment Earnings	15,000	15,000	9,856	(5,144)
Total Revenues	<u>399,810</u>	<u>399,810</u>	<u>408,984</u>	<u>9,174</u>
EXPENDITURES				
Capital Outlay	<u>883,098</u>	<u>883,098</u>	<u>682,069</u>	<u>201,029</u>
Total Expenditures	<u>883,098</u>	<u>883,098</u>	<u>682,069</u>	<u>201,029</u>
Deficiency of Revenues Under Expenditures	<u>(483,288)</u>	<u>(483,288)</u>	<u>(273,085)</u>	<u>210,203</u>
OTHER FINANCING USES				
Transfers Out	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Total Other Financing Uses	<u>(250,000)</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (733,288)</u>	<u>\$ (733,288)</u>	<u>(523,085)</u>	<u>\$ 210,203</u>
Fund Balance--January 1			<u>721,804</u>	
Fund Balance--December 31			<u>\$ 198,719</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 275,000	\$ 275,000	\$ 403,037	\$ 128,037
Investment Earnings	5,000	5,000	10,672	5,672
Miscellaneous	1,500	2,137	18,113	15,976
Total Revenues	<u>281,500</u>	<u>282,137</u>	<u>431,822</u>	<u>149,685</u>
EXPENDITURES				
Salaries and Wages	283,819	283,819	264,415	19,404
Contracted Services	227,243	227,243	208,356	18,887
Supplies and Materials	31,098	31,098	32,696	(1,598)
Total Expenditures	<u>542,160</u>	<u>542,160</u>	<u>505,467</u>	<u>36,693</u>
Deficiency of Revenues Under Expenditures	<u>(260,660)</u>	<u>(260,023)</u>	<u>(73,645)</u>	<u>186,378</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	250,000	250,000	250,000	-
Transfers Out	<u>(1,000)</u>	<u>(1,000)</u>	<u>(1,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>249,000</u>	<u>249,000</u>	<u>249,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (11,660)</u>	<u>\$ (11,023)</u>	175,355	<u>\$ 186,378</u>
Fund Balance--January 1			<u>179,130</u>	
Fund Balance--December 31			<u>\$ 354,485</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Investment Earnings	\$ 20,000	\$ 20,000	\$ 20,080	\$ 80
Total Revenues	<u>20,000</u>	<u>20,000</u>	<u>20,080</u>	<u>80</u>
EXPENDITURES				
Miscellaneous	<u>125,000</u>	<u>125,000</u>	<u>75,131</u>	<u>49,869</u>
Total Expenditures	<u>125,000</u>	<u>125,000</u>	<u>75,131</u>	<u>49,869</u>
Deficiency of Revenues Under Expenditures	<u>(105,000)</u>	<u>(105,000)</u>	<u>(55,051)</u>	<u>49,949</u>
Net Change in Fund Balance	<u><u>\$ (105,000)</u></u>	<u><u>\$ (105,000)</u></u>	<u>(55,051)</u>	<u><u>\$ 49,949</u></u>
Fund Balance--January 1			<u>788,935</u>	
Fund Balance--December 31			<u><u>\$ 733,884</u></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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Lodging Tax	\$ 450,000	\$ 450,000	\$ 247,174	\$ (202,826)
Investment Earnings	10,000	10,000	9,798	(202)
Total Revenues	<u>460,000</u>	<u>460,000</u>	<u>256,972</u>	<u>(203,028)</u>
EXPENDITURES				
Salaries and Wages	50,559	50,559	50,559	-
Grants	548,550	548,550	252,700	295,850
Total Expenditures	<u>599,109</u>	<u>599,109</u>	<u>303,259</u>	<u>295,850</u>
Deficiency of Revenues Under Expenditures	<u>(139,109)</u>	<u>(139,109)</u>	<u>(46,287)</u>	<u>92,822</u>
Net Change in Fund Balance	<u>\$ (139,109)</u>	<u>\$ (139,109)</u>	<u>(46,287)</u>	<u>\$ 92,822</u>
Fund Balance--January 1			<u>362,037</u>	
Fund Balance--December 31			<u>\$ 315,750</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 1,000,000	\$ 1,000,000	\$ 2,202,082	\$ 1,202,082
Investment Earnings	200,000	200,000	232,222	32,222
Total Revenues	<u>1,200,000</u>	<u>1,200,000</u>	<u>2,434,304</u>	<u>1,234,304</u>
EXPENDITURES				
Developer Reimbursements	500,000	500,000	173,284	326,716
Total Expenditures	<u>500,000</u>	<u>500,000</u>	<u>173,284</u>	<u>326,716</u>
Excess of Revenues Over Expenditures	<u>700,000</u>	<u>700,000</u>	<u>2,261,020</u>	<u>1,561,020</u>
OTHER FINANCING USES				
Transfers Out	<u>(2,493,663)</u>	<u>(2,493,663)</u>	<u>(2,493,663)</u>	<u>-</u>
Total Other Financing Uses	<u>(2,493,663)</u>	<u>(2,493,663)</u>	<u>(2,493,663)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (1,793,663)</u>	<u>\$ (1,793,663)</u>	<u>(232,643)</u>	<u>\$ 1,561,020</u>
Fund Balance--January 1			<u>10,307,416</u>	
Fund Balance--December 31			<u>\$ 10,074,773</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Charges for Services	\$ 75,000	\$ 75,000	\$ 90,265	\$ 15,265
Investment Earnings	40,000	40,000	46,515	6,515
Total Revenues	<u>115,000</u>	<u>115,000</u>	<u>136,780</u>	<u>21,780</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>\$ 116,000</u>	<u>\$ 116,000</u>	137,780	<u>\$ 21,780</u>
Fund Balance--January 1			<u>1,788,762</u>	
Fund Balance--December 31			<u>\$ 1,926,542</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales	\$ 5,956,110	\$ 5,956,110	\$ 5,715,527	\$ (240,583)
Franchise	334,000	334,000	344,000	10,000
Other	34,261	34,261	30,235	(4,026)
Total Taxes	6,324,371	6,324,371	6,089,762	(234,609)
Grants and Intergovernmental	2,025,319	2,025,319	2,094,145	68,826
Investment Earnings	305,703	305,703	462,731	157,028
Miscellaneous	635,000	635,000	1,703,055	1,068,055
Total Revenues	9,290,393	9,290,393	10,349,693	1,059,300
EXPENDITURES				
Capital Outlay				-
General Government	2,869,839	2,869,839	1,852,588	1,017,251
Public Safety	300,000	300,000	260,298	39,702
Streets and Fleet	13,225,987	13,225,987	6,566,199	6,659,788
Parks and Recreation	700,167	700,167	49,987	650,180
Cemetery	40,000	40,000	-	40,000
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	1,377,244	1,377,244	1,373,763	3,481
Interest	552,842	552,842	556,323	(3,481)
Bond Fees and Issuance Costs	1,500	82,876	85,931	(3,055)
Total Expenditures	19,267,579	19,348,955	10,745,089	8,603,866
Deficiency of Revenues Under Expenditures	(9,977,186)	(10,058,562)	(395,396)	9,663,166
OTHER FINANCING SOURCES				
Transfers In	2,844,663	2,844,663	2,594,663	(250,000)
Certificates of Participation Refunding	-	6,162,345	6,162,345	-
Payments to Escrow Agent	-	(6,078,414)	(6,078,414)	-
Total Other Financing Sources	2,844,663	2,928,594	2,678,594	(250,000)
Net Change in Fund Balance	\$ (7,132,523)	\$ (7,129,968)	2,283,198	\$ 9,413,166
Fund Balance--January 1			15,173,471	
Fund Balance--December 31			\$ 17,456,669	

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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Sales Taxes	\$ 4,519,391	\$ 4,519,391	\$ 4,377,457	\$ (141,934)
Grants and Intergovernmental	2,500,000	2,500,000	2,591,772	91,772
Investment Earnings	176,454	176,454	318,284	141,830
Miscellaneous	275,000	275,000	132,032	(142,968)
Total Revenues	<u>7,470,845</u>	<u>7,470,845</u>	<u>7,419,545</u>	<u>(51,300)</u>
EXPENDITURES				
Capital Outlay	9,574,525	9,574,525	2,695,036	6,879,489
Budget Contingency	200,000	200,000	-	200,000
Debt Service				
Principal	150,349	150,349	150,349	-
Interest	1,037,113	1,037,113	1,035,114	1,999
Bond Fees and Issuance Costs	2,250	211,502	222,250	(10,748)
Total Expenditures	<u>10,964,237</u>	<u>11,173,489</u>	<u>4,102,749</u>	<u>7,070,740</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,493,392)</u>	<u>(3,702,644)</u>	<u>3,316,796</u>	<u>7,019,440</u>
OTHER FINANCING SOURCES (USES)				
Certificates of Participation Refunding	-	16,152,700	16,152,700	-
Payments to Escrow Agent	-	(15,932,700)	(15,932,700)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>220,000</u>	<u>220,000</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (3,493,392)</u>	<u>\$ (3,482,644)</u>	<u>3,536,796</u>	<u>\$ 7,019,440</u>
Fund Balance--January 1			<u>12,474,849</u>	
Fund Balance-December 31			<u>\$ 16,011,645</u>	

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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 12,316,050	\$ 12,316,050	\$ 12,259,736	\$ (56,314)
Tap Fees	114,113	114,113	129,282	15,169
Miscellaneous	-	-	168,423	168,423
Total Operating Revenues	<u>12,430,163</u>	<u>12,430,163</u>	<u>12,557,441</u>	<u>127,278</u>
OPERATING EXPENSES				
Operations	9,116,977	9,116,977	10,600,358	(1,483,381)
Administration	3,673,787	3,673,787	4,559,031	(885,244)
Principal	968,637	968,637	968,637	-
Interest Expense and Fees	719,677	719,677	665,431	54,246
Total Operating Expenses	<u>14,479,078</u>	<u>14,479,078</u>	<u>16,793,457</u>	<u>(2,314,379)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	1,478,643	1,478,643	1,093,748	(384,895)
Capital Outlay	(24,165,091)	(24,165,091)	(15,092,939)	9,072,152
Grants	1,134,544	1,134,544	11,012	(1,123,532)
Sales of Capital Assets	-	-	(8,949)	(8,949)
Budget Reserves	(100,000)	(100,000)	-	100,000
Total Nonoperating Expenses	<u>(21,651,904)</u>	<u>(21,651,904)</u>	<u>(13,997,128)</u>	<u>7,654,776</u>
Loss Before Capital Contributions and Transfers	(23,700,819)	(23,700,819)	(18,233,144)	5,467,675
Capital Contributions	<u>3,377,787</u>	<u>3,377,787</u>	<u>14,457,070</u>	<u>11,079,283</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (20,323,032)</u>	<u>\$ (20,323,032)</u>	<u>(3,776,074)</u>	<u>\$ 16,546,958</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			15,092,939	
Long Term Debt Adjustments			968,637	
Contributed Capital Assets			2,720,343	
Depreciation			<u>(5,468,517)</u>	
Change in Net Position, GAAP Basis			9,537,328	
Net Position--January 1			<u>130,050,629</u>	
Net Position--December 31			<u><u>\$ 139,587,957</u></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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 7,620,077	\$ 7,620,077	\$ 6,803,256	\$ (816,821)
Miscellaneous	-	-	79,826	79,826
Total Operating Revenues	<u>7,620,077</u>	<u>7,620,077</u>	<u>6,883,082</u>	<u>(736,995)</u>
OPERATING EXPENSES				
Operations	3,910,203	3,910,203	4,339,242	(429,039)
Administration	1,924,637	1,924,637	1,942,311	(17,674)
Principal	231,893	231,893	231,893	-
Interest Expense and Fees	226,156	226,156	215,184	10,972
Total Operating Expenses	<u>6,292,889</u>	<u>6,292,889</u>	<u>6,728,630</u>	<u>(435,741)</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	1,656,738	1,656,738	565,774	(1,090,964)
Capital Outlay	(3,250,729)	(3,250,729)	(1,057,430)	2,193,299
Budget Reserves	(100,000)	(100,000)	-	100,000
Total Nonoperating Expenses	<u>(1,693,991)</u>	<u>(1,693,991)</u>	<u>(491,656)</u>	<u>1,202,335</u>
Income (Loss) Before Capital Contributions and Transfers	(366,803)	(366,803)	(337,204)	29,599
Capital Contributions	<u>980,544</u>	<u>980,544</u>	<u>390,035</u>	<u>(590,509)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ 613,741</u>	<u>\$ 613,741</u>	52,831	<u>\$ (560,910)</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			1,057,430	
Long Term Debt Adjustments			231,893	
Contributed Capital Assets			2,123,761	
Depreciation			<u>(1,520,099)</u>	
Change in Net Position, GAAP Basis			1,945,816	
Net Position--January 1, restated			<u>33,762,376</u>	
Net Position--December 31			<u>\$ 35,708,192</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 842,708	\$ 842,708	\$ 748,839	\$ (93,869)
Miscellaneous	-	-	59,681	59,681
Total Operating Revenues	<u>842,708</u>	<u>842,708</u>	<u>808,520</u>	<u>(34,188)</u>
OPERATING EXPENSES				
Operations	644,688	644,688	190,143	454,545
Administration	152,442	152,442	481,084	(328,642)
Total Operating Expenses	<u>797,130</u>	<u>797,130</u>	<u>671,227</u>	<u>125,903</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	456,635	456,635	166,002	(290,633)
Capital Outlay	(4,999,634)	(4,999,634)	(2,552,573)	2,447,061
Developer Reimbursements	-	-	(639,041)	(639,041)
Budget Reserves	(100,000)	(100,000)	-	100,000
Total Nonoperating Expenses	<u>(4,642,999)</u>	<u>(4,642,999)</u>	<u>(3,025,612)</u>	<u>1,617,387</u>
Loss Before Capital Contributions and Transfers	(4,597,421)	(4,597,421)	(2,888,319)	1,709,102
Capital Contributions	<u>1,139,283</u>	<u>1,139,283</u>	<u>1,028,563</u>	<u>(110,720)</u>
Excess (Deficiency) of Revenues Over (Under) Expenses Before Reconciling Items	<u>\$ (3,458,138)</u>	<u>\$ (3,458,138)</u>	(1,859,756)	<u>\$ 1,598,382</u>
ADJUSTMENTS TO US GAAP BASIS				
Capitalized Assets			2,552,573	
Contributed Capital Assets			2,507,449	
Depreciation			(929,124)	
Change in Net Position, GAAP Basis			<u>2,271,142</u>	
Net Position--January 1			<u>20,961,895</u>	
Net Position--December 31			<u>\$ 23,233,037</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, 2020

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
CURRENT ASSETS			
Cash and Investments	\$ 3,408,504	\$ 171,043	\$ 3,579,547
Accounts Receivable	27,272	9,492	36,764
Inventories	-	75,138	75,138
Prepaid Expenses	-	1,840	1,840
Total Current Assets	<u>3,435,776</u>	<u>257,513</u>	<u>3,693,289</u>
LIABILITIES			
Accounts Payable	161,976	10,601	172,577
Accrued Wages Payable	-	6,472	6,472
Estimated Unpaid Claims	311,000	-	311,000
Total Liabilities	<u>472,976</u>	<u>17,073</u>	<u>490,049</u>
NET POSITION			
Unrestricted	2,962,800	240,440	3,203,240
Total Net Position	<u>\$ 2,962,800</u>	<u>\$ 240,440</u>	<u>\$ 3,203,240</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2020

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL
OPERATING REVENUES			
Charges for Services	\$ 5,006,455	\$ 864,855	\$ 5,871,310
Miscellaneous	27,778	521	28,299
Total Operating Revenues	<u>5,034,233</u>	<u>865,376</u>	<u>5,899,609</u>
OPERATING EXPENSES			
Insurance Claims	3,810,892	-	3,810,892
Insurance Premiums	805,253	-	805,253
Professional Services	283,642	-	283,642
Administration	-	468,015	468,015
Vehicle Repairs	-	308,639	308,639
Vehicle Fuel	-	799	799
Miscellaneous	1,270	-	1,270
Total Operating Expenses	<u>4,901,057</u>	<u>777,453</u>	<u>5,678,510</u>
Operating Income	133,176	87,923	221,099
NONOPERATING REVENUES (EXPENSES)			
Investment Earnings	73,310	(509)	72,801
Sale of Assets	-	84,449	84,449
Nonoperating Income	<u>73,310</u>	<u>83,940</u>	<u>157,250</u>
TRANSFERS OUT	<u>(120,000)</u>	<u>(101,000)</u>	<u>(221,000)</u>
Change in net position	<u>86,486</u>	<u>70,863</u>	<u>157,349</u>
Net Position--January 1	<u>2,876,314</u>	<u>169,577</u>	<u>3,045,891</u>
Net Postion--December 31	<u>\$ 2,962,800</u>	<u>\$ 240,440</u>	<u>\$ 3,203,240</u>

CITY OF BRIGHTON, COLORADO
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

	BENEFITS INTERNAL SERVICE FUND	FLEET INTERNAL SERVICE FUND	TOTAL INTERNAL SERVICE FUNDS
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts From Customers	\$ 4,979,183	857,482	\$ 5,836,665
Other Receipts	27,778	521	28,299
Payments to Employees For Salaries and Benefits	(4,695,518)	(341,546)	(5,037,064)
Payments to Suppliers and Service Providers	-	(465,112)	(465,112)
Net Cash Provided By Operating Activities	<u>311,443</u>	<u>51,345</u>	<u>362,788</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers To Other Funds	(120,000)	(101,000)	(221,000)
Net Cash Used In Noncapital Financing Activities	<u>(120,000)</u>	<u>(101,000)</u>	<u>(221,000)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Proceeds on Sale of Capital Assets	-	84,449	84,449
Net Cash Provided By Capital and Related Financing Activities	<u>-</u>	<u>84,449</u>	<u>84,449</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds From Sale of Investments	73,310	(509)	72,801
Net Cash Provided By Investing Activities	<u>73,310</u>	<u>(509)</u>	<u>72,801</u>
Net Increase in Cash and Cash Equivalents	264,753	34,285	299,038
Cash and Cash Equivalents--January 1	3,143,751	136,758	3,280,509
Cash and Cash Equivalents--December 31	<u>\$ 3,408,504</u>	<u>\$ 171,043</u>	<u>\$ 3,579,547</u>
Reconciliation of operating income to net cash provided by operating activities:			
Operating Income	\$ 133,176	\$ 87,923	\$ 221,099
Adjustments to Reconcile Operating Income to Net Cash Provided By (Used In) Operating Activities:			
Changes in Assets and Liabilities:			
(Increase) in Accounts Receivable	(27,272)	(7,373)	(34,645)
(Increase) in Inventories	-	(21,538)	(21,538)
(Increase) in Prepaids	-	(1,840)	(1,840)
Increase (Decrease) in Accounts Payable	159,634	(8,730)	150,904
Increase in Accrued Wages Payable	-	2,903	2,903
Increase in Unpaid Claims	45,905	-	45,905
Total Adjustments	<u>178,267</u>	<u>(36,578)</u>	<u>141,689</u>
Net Cash Provided by Operating Activities	<u>\$ 311,443</u>	<u>\$ 51,345</u>	<u>\$ 362,788</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 4,717,000	\$ 4,717,000	\$ 5,006,455	\$ 289,455
Miscellaneous	444,897	444,897	27,778	(417,119)
Total Operating Revenues	<u>5,161,897</u>	<u>5,161,897</u>	<u>5,034,233</u>	<u>(127,664)</u>
OPERATING EXPENSES				
Insurance Claims	3,747,000	3,747,000	3,810,892	(63,892)
Insurance Premiums	1,100,000	1,100,000	805,253	294,747
Professional Services	356,000	320,400	283,642	36,758
Miscellaneous	42,500	41,800	1,270	40,530
Total Operating Expenses	<u>5,245,500</u>	<u>5,209,200</u>	<u>4,901,057</u>	<u>308,143</u>
Operating Income	<u>(83,603)</u>	<u>(47,303)</u>	<u>133,176</u>	<u>180,479</u>
NONOPERATING REVENUES				
Investment Earnings	<u>10,796</u>	<u>10,796</u>	<u>73,310</u>	<u>62,514</u>
Total Nonoperating Revenues	<u>10,796</u>	<u>10,796</u>	<u>73,310</u>	<u>62,514</u>
Income (Loss) Before Transfers	<u>(72,807)</u>	<u>(36,507)</u>	<u>206,486</u>	<u>242,993</u>
TRANSFERS OUT	<u>(120,000)</u>	<u>(120,000)</u>	<u>(120,000)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ (192,807)</u>	<u>\$ (156,507)</u>	<u>86,486</u>	<u>\$ 242,993</u>
Net Position--January 1			<u>2,876,314</u>	
Net Position--December 31			<u>\$ 2,962,800</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, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
OPERATING REVENUES				
Charges for Services	\$ 685,525	\$ 685,525	\$ 864,855	\$ 179,330
Miscellaneous	-	-	521	521
Total Operating Revenues	<u>685,525</u>	<u>685,525</u>	<u>865,376</u>	<u>179,851</u>
OPERATING EXPENSES				
Administration	490,196	490,196	468,015	22,181
Vehicle Repairs	298,851	298,851	308,639	(9,788)
Vehicle Fuel	1,481	1,481	799	682
Total Operating Expenses	<u>790,528</u>	<u>790,528</u>	<u>777,453</u>	<u>13,075</u>
Operating Income	<u>(105,003)</u>	<u>(105,003)</u>	<u>87,923</u>	<u>192,926</u>
NONOPERATING REVENUES				
Investment Earnings	495	495	(509)	(1,004)
Sale of Assets	44,505	44,505	84,449	39,944
Nonoperating Income	<u>45,000</u>	<u>45,000</u>	<u>83,940</u>	<u>38,940</u>
Income (Loss) Before Transfers	(60,003)	(60,003)	171,863	231,866
TRANSFERS OUT	<u>(101,000)</u>	<u>(101,000)</u>	<u>(101,000)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenses	<u>\$ (161,003)</u>	<u>\$ (161,003)</u>	70,863	<u>\$ 231,866</u>
Net Position--January 1			<u>169,577</u>	
Net Position--December 31			<u>\$ 240,440</u>	

BRIGHTON URBAN RENEWAL AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Taxes				
Sales Tax	\$ 887,253	\$ 887,253	\$ 1,497,999	\$ 610,746
Property	5,134,750	5,134,750	5,156,252	21,502
Total Taxes	6,022,003	6,022,003	6,654,251	632,248
Charges For Services	85,000	85,000	13,773	(71,227)
Miscellaneous	-	-	-	-
Grants	75,000	75,000	13,036	(61,964)
Investment Earnings	41,425	41,425	97,581	56,156
Total Revenues	6,223,428	6,223,428	6,778,641	555,213
EXPENDITURES				
Current				
Personal Services	324,311	324,311	328,824	(4,513)
Purchased Services	194,500	194,500	26,990	167,510
Operating Expenses	268,825	268,825	237,733	31,092
Capital Outlay	408,000	408,000	7,503	400,497
Tax Rebates	3,530,729	3,530,729	4,048,928	(518,199)
Total Current	4,726,365	4,726,365	4,649,978	76,387
Debt Service				
Principal	825,000	825,000	825,000	-
Interest	258,925	258,925	260,925	(2,000)
Loan Fee	2,000	2,000	2,000	-
Total Debt Service	1,085,925	1,085,925	1,087,925	(2,000)
Total Expenditures	5,812,290	5,812,290	5,737,903	74,387
Excess of Revenues Over Expenditures	411,138	411,138	1,040,738	629,600
Net Change in Fund Balance	\$ 411,138	\$ 411,138	1,040,738	\$ 629,600
Fund Balances--January 1			5,161,341	
Fund Balances--December 31			\$ 6,202,079	

BRIGHTON CULTURAL ARTS COMMISSION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE--
BUDGET AND ACTUAL
FOR THE YEAR ENDED DECEMBER 31, 2020

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE WITH FINAL BUDGET
REVENUES				
Intergovernmental	\$ 301,244	\$ 301,244	\$ 153,944	\$ (147,300)
Charges For Services	-	-	85	85
Investment Earnings	1,500	1,500	5,333	3,833
Total Revenues	<u>302,744</u>	<u>302,744</u>	<u>159,362</u>	<u>(143,382)</u>
EXPENDITURES				
Grants and Awards	227,923	227,923	74,650	153,273
Operating Expenses	73,037	73,037	19,203	53,834
Total Expenditures	<u>300,960</u>	<u>300,960</u>	<u>93,853</u>	<u>207,107</u>
Excess of Revenues Over Expenditures	1,784	1,784	65,509	63,725
Net Change in Fund Balance	<u>\$ 1,784</u>	<u>\$ 1,784</u>	<u>65,509</u>	<u>\$ 63,725</u>
Fund Balance--January 1			<u>132,933</u>	
Fund Balance--December 31			<u>\$ 198,442</u>	

Statistical Section

CITY OF BRIGHTON, COLORADO
STATISTICAL SECTION
DECEMBER 31, 2020

TABLE OF CONTENTS

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.

Financial Trends – These schedules contain trend information to help the reader understand how the City of Brighton's financial performance and well-being have changed over time.

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Debt Capacity – These schedules present information to help the reader assess the affordability of the City of Brighton's current levels of outstanding debt and its ability to issue additional debt in the future.

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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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
Net Investment in capital assets	\$ 84,567	\$ 88,732	\$ 88,599	\$ 87,903	\$ 90,489	\$ 86,601	\$ 94,990	\$ 98,819	\$ 102,396	\$ 122,195
Restricted	7,379	26,050	12,544	12,720	15,869	26,569	26,575	25,486	16,325	17,758
Unrestricted	19,787	1,950	18,920	23,641	25,707	32,960	32,961	43,836	65,700	76,552
Total governmental activities net position	<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>	<u>\$ 216,505</u>
Business-type Activities										
Net Investment in capital assets	\$ 91,641	\$ 99,217	\$ 97,800	\$ 95,536	\$ 98,864	\$102,032	\$110,314	\$ 126,259	\$ 114,966	\$ 133,669
Restricted	-	-	-	-	-	-	-	190	155	-
Unrestricted	46,752	40,850	46,551	52,342	57,016	61,261	65,549	61,461	69,654	64,860
Total business-type activities net position	<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>	<u>\$ 198,529</u>
Primary Government										
Net Investment in capital assets	\$ 176,208	\$187,949	\$186,399	\$183,439	\$189,353	\$188,633	\$205,304	\$ 225,078	\$ 217,362	\$ 255,864
Restricted	7,379	26,050	12,544	12,720	15,869	26,569	26,575	25,676	16,480	17,758
Unrestricted	66,539	42,800	65,471	75,983	82,723	94,221	98,510	105,297	135,354	141,412
Total primary government net position	<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>	<u>\$ 415,034</u>

SOURCE: Current and prior year's financial statements

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental Activities:										
General Government	\$ 9,327	\$ 8,754	\$ 8,512	\$ 10,552	\$ 10,649	\$ 11,035	\$ 11,550	\$ 11,337	\$ 16,251	\$ 18,529
Public Safety	5,891	7,670	7,985	8,650	9,494	10,649	12,642	11,362	12,866	14,509
Streets and Fleet	5,315	2,108	8,503	7,057	8,842	9,289	11,869	10,275	11,546	9,482
Parks and Recreation	4,831	4,950	6,242	7,633	7,924	8,024	9,296	9,458	9,080	10,096
Cemetery	495	336	377	313	380	456	515	581	506	554
Community Development	881	1,203	1,362	1,441	1,903	1,941	2,407	3,107	2,416	2,483
Interest on long-term debt	1,790	1,693	1,652	1,765	1,594	1,658	1,909	1,710	1,661	1,895
Total governmental activities expenses	28,530	26,714	34,633	37,411	40,786	43,052	50,188	47,830	54,326	57,548
Business-type Activities:										
Water	9,849	11,702	11,410	11,762	11,768	13,305	13,979	14,750	17,858	21,293
Waste Water	4,386	4,493	4,449	4,627	4,756	5,209	9,837	6,501	7,592	8,017
Storm Drainage	898	2,766	1,140	971	1,011	1,153	1,778	1,708	2,270	2,239
Total business-type activities expenses	15,133	18,961	16,999	17,360	17,535	19,667	25,594	22,959	27,720	31,549
Total primary governmental expenses	43,663	45,675	51,632	54,771	58,321	62,719	75,782	70,789	82,046	89,097
Program Revenues										
Governmental activities:										
Charges for services:										
General Government	166	727	809	925	682	729	1,465	870	3,046	4,850
Public Safety	539	662	622	638	164	247	208	614	731	485
Streets and Fleet	122	343	666	463	454	509	1,121	1,379	1,704	1,373
Parks and Recreation	1,220	1,551	1,539	1,833	1,522	1,696	2,245	1,526	1,338	1,184
Cemetery	220	251	306	262	254	397	412	347	317	493
Community Development	598	470	1,910	801	1,271	1,239	1,353	2,650	3,125	2,090
Operating grants and contributions	1,535	1,629	1,595	5,276	2,355	3,376	5,361	2,712	3,425	7,738
Capital grants and contributions	19,040	2,543	4,901	1,920	8,556	5,527	12,709	7,730	9,519	22,400
Total governmental activity revenues	23,440	8,176	12,348	12,118	15,258	13,720	24,874	17,828	23,205	40,613
Business-type activities:										
Charges for services:										
Water	6,982	8,794	8,244	8,820	10,023	11,664	14,261	14,028	13,030	12,260
Waste Water	3,835	4,926	4,839	5,690	4,993	6,843	7,435	7,960	8,159	6,803
Storm Drainage	229	420	843	595	507	613	733	816	862	749
Operating grants and contributions	-	-	-	-	-	-	-	107	115	129
Capital grants and contributions	11,966	4,140	6,636	5,388	9,651	7,016	15,081	10,730	11,903	23,227
Total business-type activities revenues	23,012	18,280	20,562	20,493	25,174	26,136	37,510	33,641	34,069	43,168
Total primary government revenues	46,452	26,456	32,910	32,611	40,432	39,856	62,384	51,469	57,274	83,781
Net (Expense)/Revenue										
Governmental activities	(5,090)	(18,538)	(22,285)	(25,293)	(25,528)	(29,332)	(25,314)	(30,002)	(31,121)	(16,935)
Business-type activities	7,879	(681)	3,563	3,133	7,639	6,469	11,916	10,682	6,349	11,619
Total primary government net (expense)/revenue	2,789	(19,219)	(18,722)	(22,160)	(17,889)	(22,863)	(13,398)	(19,320)	(24,772)	(5,316)
General Revenues and Changes in Net Position										
Governmental activities:										
Taxes	21,367	22,950	25,142	28,812	30,668	42,086	33,183	38,084	41,674	42,951
Unrestricted grants and contributions	982	301	269	-	-	-	-	-	-	-
Investment earnings	149	67	1	551	1,072	684	522	1,166	1,914	2,114
Sale of capital assets	-	-	-	-	-	-	-	120	33	85
Miscellaneous	1,374	278	208	156	508	628	5	2,653	4,387	3,869
Transfers	-	(59)	(4)	(25)	-	-	-	-	(607)	-
Total governmental activities	23,872	23,537	25,616	29,494	32,248	43,398	33,710	42,023	47,401	49,019
Business-type activities:										
Investment income	201	257	140	138	267	510	431	931	1,683	1,825
Sale of capital assets	-	-	-	-	-	-	-	-	42	(9)
Miscellaneous	441	2,039	577	232	95	434	223	435	528	319
Transfers	-	59	4	25	-	-	-	-	607	-
Total business-type activities	642	2,355	721	395	362	944	654	1,366	2,860	2,135
Total primary government	24,514	25,892	26,337	29,889	32,610	44,342	34,364	43,389	50,261	51,154
Changes in Net Position										
Governmental activities	18,782	4,999	3,331	4,201	6,720	14,065	8,396	12,021	16,280	32,084
Business-type activities	8,521	1,674	4,284	3,527	8,001	7,413	12,570	12,048	9,209	13,754
Total primary government	\$ 27,303	\$ 6,673	\$ 7,615	\$ 7,728	\$ 14,721	\$ 21,478	\$ 20,966	\$ 24,069	\$ 25,489	\$ 45,838

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

	<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>	<u>2020</u>
General Fund										
Nonspendable	\$ 408	\$ 421	\$ 205	\$ 254	\$ 100	\$ 179	\$ 148	\$ 23	\$ 197	\$ 413
Restricted	574	630	669	742	833	1,408	1,478	1,532	1,579	1,715
Committed	5,649	5,846	6,923	7,784	7,878	10,229	11,333	10,956	14,402	12,390
Assigned	18	18	18	546	1,661	2,337	3,630	3,630	-	-
Unassigned	<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>	<u>28,171</u>
Total General Fund	<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>	<u>\$ 42,689</u>
All Other Governmental Funds Combined										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20	\$ -	\$ -
Restricted	2,126	2,072	1,577	11,978	15,035	24,982	25,097	23,357	1,656	1,112
Committed	896	997	1,598	11,759	11,252	10,212	11,698	14,769	15,413	15,203
Assigned	<u>5,401</u>	<u>5,680</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>24,772</u>	<u>30,802</u>
Total all other governmental funds	<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>	<u>\$ 47,117</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)

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues by Source										
Taxes	\$ 21,367	\$ 22,951	\$ 25,142	\$ 28,331	\$ 30,030	\$ 41,185	\$ 33,074	\$ 38,085	\$ 41,674	\$ 42,951
Licenses, fees and permits	428	430	1,244	659	1,004	966	1,053	2,158	2,359	1,568
Grants & Intergovernmental	6,523	4,444	4,528	6,861	5,112	6,754	8,053	6,048	7,068	12,648
Charges for services	1,910	2,253	3,272	3,010	2,863	3,259	4,327	4,722	7,402	8,473
Fines and forfeitures	446	541	484	421	462	449	437	404	499	433
Investment income	149	66	1	551	1,072	684	513	1,139	1,885	2,042
Miscellaneous	1,454	1,088	1,090	1,533	2,386	2,071	4,200	3,003	3,751	3,772
Total revenues	32,277	31,773	35,761	41,366	42,929	55,368	51,657	55,559	64,638	71,887
Expenditures by Function										
General Government	8,325	7,053	7,782	9,459	9,454	10,302	10,820	10,588	11,108	16,850
Public Safety	5,555	7,330	7,504	8,167	9,048	10,185	10,544	11,725	12,507	13,939
Streets and Fleet	2,264	2,650	3,086	2,509	2,948	3,076	3,445	3,212	3,311	3,375
Parks and Recreation	3,320	4,331	4,590	5,199	4,907	5,155	6,134	6,945	6,766	5,962
Cemetery	256	303	334	272	331	417	454	518	486	505
Community Development	877	1,198	1,360	1,441	1,901	1,941	2,436	3,145	2,424	2,489
Capital Outlay	21,489	5,483	3,395	7,271	6,334	12,518	14,111	9,786	12,181	12,182
Debt Service-Principal	1,162	1,090	1,135	1,170	1,225	805	1,097	1,430	1,477	1,524
Debt Service-Interest & Fees	1,790	1,693	1,684	1,639	1,594	1,629	1,759	1,691	1,641	1,900
Total expenditures	45,038	31,131	30,870	37,127	37,742	46,028	50,800	49,040	51,901	58,726
Excess (deficiency) of revenues over (under) expenditures	(12,761)	642	4,891	4,239	5,187	9,340	857	6,519	12,737	13,161
Other Financing Sources (Uses)										
Bond Proceeds	-	-	-	-	-	-	-	-	-	19,195
Bond Premium	-	-	-	-	-	-	-	-	-	3,120
Payments to Escrow Agent	-	-	-	-	-	-	-	-	-	(22,011)
Proceeds from Sale of Capital Assets	-	-	-	-	-	6,115	1,608	19	-	-
Dev. Contrib/Insurance Recoveries	-	-	-	-	-	-	102	-	636	-
Transfers in	595	143	1,699	616	802	2,308	1,615	1,250	2,859	3,222
Transfers out	(595)	(203)	(2,129)	(1,041)	(3,432)	(2,315)	(1,671)	(1,226)	(3,466)	(3,001)
Total other financing sources (uses)	-	(60)	(430)	(425)	(2,630)	6,108	1,654	43	29	525
Net change in fund balances	<u>\$ (12,761)</u>	<u>\$ 582</u>	<u>\$ 4,461</u>	<u>\$ 3,814</u>	<u>\$ 2,557</u>	<u>\$ 15,448</u>	<u>\$ 2,511</u>	<u>\$ 6,562</u>	<u>\$ 12,766</u>	<u>\$ 13,686</u>
Debt service as a percentage of noncapital expenditures	<u>12.54%</u>	<u>10.85%</u>	<u>10.26%</u>	<u>9.41%</u>	<u>8.98%</u>	<u>7.26%</u>	<u>7.78%</u>	<u>7.95%</u>	<u>7.85%</u>	<u>7.94%</u>

SOURCE: Current and prior year's financial statements

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

	<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>	<u>2020</u>
General merchandise	\$ 5,094	\$ 6,123	\$ 6,825	\$ 7,280	\$ 7,335	\$ 6,760	\$ 6,775	\$ 8,368	\$ 8,323	\$ 6,119
Food stores	2,206	2,807	2,896	3,416	4,089	4,737	5,394	5,352	5,486	7,360
Eating and drinking establishments	1,612	2,116	2,252	2,462	2,568	2,810	2,808	3,458	3,724	3,525
Building materials/home improvements	1,278	1,814	2,860	3,415	2,774	21,410	3,347	4,414	4,348	3,875
Auto dealers/repairs/supplies	994	1,320	1,477	1,687	2,067	2,207	2,222	2,492	2,667	2,882
Utilities	1,959	2,213	2,319	2,576	2,399	2,591	2,695	2,667	2,686	3,001
All other categories	3,202	639	956	1,297	1,285	1,354	1,895	685	2,533	4,088
Total	<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>	<u>\$30,850</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>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>	<u>2020</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%	0.00%	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>8.50%</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>	<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 2011		Fiscal Year 2020	
	Sales Tax Revenue	Percentage of Total	Sales Tax Revenue	Percentage of Total
Sales Tax Revenue--Top Ten Remitters				
General Merchandise	\$ 4,294,067	26%	\$ 8,098,726	26%
Food Stores	1,714,515	10%	3,728,920	12%
Automotive			599,157	2%
Utilities	1,178,061	7%	1,185,507	4%
Building Materials	998,348	6%	2,752,906	9%
Total Sales Tax Top Ten Remitters	<u>8,184,991</u>	<u>50%</u>	<u>16,365,216</u>	<u>53%</u>
Sales Tax Revenue--All Other Remitters	<u>8,160,122</u>	<u>50%</u>	<u>14,484,406</u>	<u>47%</u>
Total Sales Tax Revenue	<u>\$ 16,345,113</u>	<u>100%</u>	<u>\$ 30,849,622</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)

	2011	2012	2013	2014	2015	2016	2017- restated	2018	2019	2020
Governmental Activities										
Sales Tax Revenue Bonds	\$ 4,375	\$ 3,345	\$ 2,270	\$ 1,160	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2010 Certificate of Participation	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	4,596
2020 Certificate of Participation	-	-	-	-	-	-	-	-	-	19,195
Capital Leases	-	-	-	-	-	-	1,608	1,392	1,172	947
Total Governmental Activities	30,940	29,850	28,715	27,545	26,320	31,639	32,292	30,669	29,086	24,738
Business-type Activities										
General Obligation Water Bonds	485	-	-	-	-	-	-	-	-	-
Water/Sewer Revenue Bonds	30,165	30,015	29,310	28,580	27,845	-	-	-	-	-
2016 Revenue Bonds	-	-	-	-	-	27,270	27,374	26,214	23,965	22,805
2016 Certificate of Participation	-	-	-	-	-	876	1,001	965	925	884
State Water Loan Note	1,458	1,121	769	400	-	-	-	-	-	-
Total Business-type Activities	32,108	31,136	30,079	28,980	27,845	28,146	28,375	27,179	24,890	23,689
Total Primary Government										
Sales Tax Revenue Bonds	4,375	3,345	2,270	1,160	-	-	-	-	-	-
Certificate of Participation	26,565	26,505	26,445	26,385	26,320	32,515	24,797	23,936	28,839	24,675
Capital Leases	-	-	-	-	-	-	6,888	6,306	1,172	947
General Obligation Water Bonds	485	-	-	-	-	-	-	-	-	-
Water/Sewer Revenue Bonds	30,165	30,015	29,310	28,580	27,845	27,270	27,374	26,214	23,965	22,805
State Water Loan Note & Note Payable	1,458	1,121	769	400	-	-	-	-	-	-
Total primary government	<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>	<u>\$48,427</u>
Percentage of Per Capita Personal Income*	5.70%	5.20%	4.72%	4.40%	4.07%	4.22%	3.75%	3.41%	3.07%	2.57%
Debt Per Capita	\$ 1.88	\$ 1.79	\$ 1.68	\$ 1.60	\$ 1.52	\$ 1.62	\$ 1.55	\$ 1.44	\$ 1.38	\$ 1.17

SOURCE: Current and prior year's financial statements

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General (water) bonded debt outstanding										
General obligation debt ¹	\$ 485	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	485	-	-	-	-	-	-	-	-	-
Actual water sales	6,982	8,794	8,244	8,739	10,023	11,664	11,664	13,565	12,591	12,456
G.O. debt ratio to actual water sales	0.07	-	-	-	-	-	-	-	-	-
G.O. debt per capita ²	15	-	-	-	-	-	-	-	-	-
Total net debt applicable to debt limit	-	-	-	-	-	-	-	-	-	-
Legal debt limit ³	71,190	83,570	82,792	83,192	96,700	127,303	127,049	130,020	138,392	152,022
Legal debt margin ⁴	71,190	83,570	82,792	83,192	96,700	127,303	127,049	130,020	138,392	152,022
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	2,373,014	2,785,662	2,759,749	2,773,064	3,223,343	4,243,434	4,234,952	4,334,016	4,613,073	5,067,387
Legal debt limit percentage	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Legal debt limit	<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>	<u>\$ 152,022</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, 2020**

Jurisdiction	Debt Outstanding Government Activities	Percentage Applicable to the City	Estimated Share of Overlapping Debt
<u>Direct Debt:</u>			
City of Brighton	<u>\$ 27,841,251</u>	100%	<u>\$ 27,841,251</u>
<u>Overlapping Debt:</u>			
Counties	165,768,121	6%	10,305,476
School Districts	442,328,572	32%	141,584,259
Special Districts	3,650,670,006	13%	470,016,626
Total Overlapping Debt	<u>4,258,766,699</u>		<u>621,906,361</u>
Total Direct and Overlapping Debt	<u><u>\$ 4,286,607,950</u></u>		<u><u>\$ 649,747,612</u></u>

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

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

**Table 11. Coverage Information for Non-General Obligation Debt
For Debt Outstanding as of December 31, 2020
(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	
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
2020	35,958	21,441	14,517	1,201	881	2,081	6.98

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
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%
2020*	41,468	1,886,006	45,481	33	unavailable	7.2%

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

Table 13. Principal Employers

	2011			2020		
	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>	<u>Employees</u>	<u>Percentage</u>	<u>Rank</u>
Adams County	1,771	32%	1	2,300	28%	1
School District 27J	1,441	26%	2	1,868	23%	2
Vestas	295	5%	6	1,400	17%	3
Platte Valley Medical Center	554	10%	3	793	10%	4
King Soopers				462	6%	5
City of Brighton	413	7%	4	329	4%	6
Wal-mart	324	6%	5	320	4%	7
Wells Precast				250	3%	8
Transwest				237	3%	9
Super Target	178	3%	9	220	3%	10
K-Mart Distribution Center	182	3%	8			
Environmental Design	160	3%	10			
BJ Service USA	197	4%	7			
TOTAL	<u>5,515</u>	<u>100%</u>		<u>8,179</u>	<u>100%</u>	

SOURCE: Brighton Economic Development Corporation

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

Functions/Programs	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental Activities										
General Government	43.8	49.9	52.5	56.9	63.1	71.0	72.0	74.9	80.6	73.8
Public Safety										
Officers	53.0	53.0	56.0	58.0	60.0	68.0	64.0	65.0	70.0	74.0
Civilians	20.0	20.0	21.0	22.0	26.0	26.0	28.0	29.0	29.0	32.3
Total Public Safety	73.0	73.0	77.0	80.0	86.0	94.0	92.0	94.0	99.0	106.3
Public Works	21.0	22.0	22.0	23.0	23.0	25.0	29.0	29.0	30.0	27.3
Parks and Recreation	34.3	35.4	34.8	40.3	40.3	39.0	41.0	40.0	41.5	41.5
Community Development	12.5	13.5	15.0	15.2	18.0	20.0	21.0	22.0	21.0	22.0
Total Cemetery	4.0	4.0	4.0	4.0	4.0	3.0	4.0	4.0	4.0	4.0
Total Governmental Activities	188.6	197.8	205.3	219.4	234.4	252.0	259.0	263.9	276.1	274.8
Business-Type Activities										
Water	20.2	20.5	21.1	25.2	25.2	28.0	32.0	34.0	35.0	34.8
Sewer	18.3	19.0	22.0	21.5	21.5	25.0	28.0	28.0	28.0	27.8
Storm Drainage	1.0	2.0	2.0	2.3	2.3	3.0	4.0	4.0	4.0	4.0
Total Business-Type Activities	39.5	41.5	45.1	49.0	49.0	56.0	64.0	66.0	67.0	66.6
Component Units										
Urban Renewal Authority	5.7	5.2	5.0	5.0	4.0	6.0	4.0	-	-	2.0
Total Component Units	5.7	5.2	5.0	5.0	4.0	6.0	4.0	-	-	2.0
Total FTE Employees By Functions/Programs	233.8	244.5	255.4	273.4	287.4	314.0	327.0	329.9	343.1	343.4

Table 15. Operating Indicators by Function/Program

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Calls for service	42,478	42,573	43,195	46,023	52,456	56,092	55,805	56,777	63,592	71,902
Arrests	2,600	2,716	2,365	2,365	2,620	2,791	2,240	1,961	1,951	1,685
Summons issued	4,904	5,986	5,225	5,226	5,044	5,463	4,680	4,824	4,341	5,406
Streets										
Street resurfacing (miles)	1	-	-	-	-	2	5	6	5	2
Street slurry seal (miles)	2	3	4	5	10	9	6	12	11	5
Street chip seal (miles)	-	-	-	-	-	-	5	8	6	2
Parks and Recreation										
Recreation Center admissions	141,464	154,783	174,553	183,960	191,190	-	192,605	178,072	169,755	50,504
Senior Center program participants	23,979	27,897	29,645	31,239	33,778	37,296	40,269	41,390	39,902	10,561
Senior Center services	10,734	11,071	10,672	11,144	10,733	11,075	14,491	17,476	15,956	15,635
Water										
Gallons pumped (millions)	1,722	1,902	1,621	1,671	1,755	1,858	1,978	1,932	1,918	2,405
Average daily consumption (million gallons)	5	5	4	5	5	5	5	5	5	6
Wastewater Gallons treated (millions)	814	731	755	751	775	756	740	788	656	538
Cemetery										
Interments	112	128	138	120	115	149	170	109	118	162

SOURCE: Various City departments.

Table 16. Capital Asset Statistics by Function/Program

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Vehicles	31	52	51	51	51	53	55	55	59	59
Streets										
Street Miles	151	151	151	153	154	159	161	162	160	160
Parks and Recreation										
Recreation Center	1	1	1	1	1	1	1	1	1	1
Senior Center	1	1	1	1	1	1	1	1	1	1
Parks	47	47	47	47	47	47	48	43	43	43
Park acreage	300	300	300	300	300	300	303	241	307	307
Swimming pools	3	4	4	4	4	4	4	2	4	4
Tennis courts	8	8	8	8	8	8	8	8	8	8
Skateboard Park	2	2	2	2	2	2	2	2	2	2
Inline Hockey Rink	1	1	1	1	1	1	1	0	1	1
4-Plex Ball fields	2	2	2	2	2	2	2	2	2	2
Open Space (acres)	767	767	767	960	960	960	1,023	869	1,044	1,044
Trails (miles)	27	27	27	34	34	34	38	32	38	38
Water										
Treatment plant	2	2	2	2	2	2	2	2	2	2
Water mains (miles)	150	190	195	195	195	227	225	235	237	242
Water customers	9,485	9,576	9,736	10,068	10,436	10,104	11,700	11,782	12,183	12,614
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	146	146	146	146	146	169	180	180	182
Storm drainage										
Storm sewer (miles)	60	60	60	60	60	60	76	101	101	105
Cemeteries										
	2	2	2	2	2	2	2	2	2	2

SOURCE: Various City departments.

Compliance Section

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

LOCAL HIGHWAY FINANCE REPORT		City or County:
		YEAR ENDING : December 2020
This Information From The Records Of (example - City of _ or County of _ City of Brighton	Prepared By: Phone:	Maria Ostrom 303-655-2130

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)	6,043,389
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	2,332,124
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	146,021
3. Other local imposts (from page 2)	2,035,852	c. Other	
4. Miscellaneous local receipts (from page 2)	797,951	d. Total (a. through c.)	146,021
5. Transfers from toll facilities		4. General administration & miscellaneous	600,321
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	1,026,764
a. Bonds - Original Issues		6. Total (1 through 5)	10,148,619
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)	2,833,803	b. Redemption	
B. Private Contributions	8,180,722	c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	1,169,302	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	
E. Total receipts (A.7 + B + C + D)	12,183,827	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)	10,148,619

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
	0	12,183,827	10,148,619	2,035,208	0

Notes and Comments:

**INDEPENDENT AUDITOR’S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING
STANDARDS***

To the City Council
City of Brighton, Colorado

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Brighton, as of and for the year ended December 31, 2020, and the related notes to the financial statements, which collectively comprise City of Brighton’s basic financial statements, and have issued our report thereon dated May 3, 2021.

Internal Control over Financial Reporting

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

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

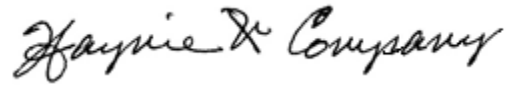
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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

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

Littleton, Colorado

May 3, 2021

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE**

To the City Council
City of Brighton

Report on Compliance for Each Major Federal Program

We have audited the City of Brighton's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of City of Brighton's major federal programs for the year ended December 31, 2020. City of Brighton's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of City of Brighton's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about City of Brighton's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of City of Brighton's compliance.

Opinion on Each Major Federal Program

In our opinion, City of Brighton, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2020.

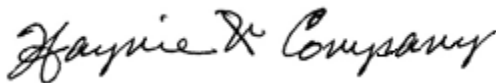
Report on Internal Control over Compliance

Management of City of Brighton, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Brighton's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of City of Brighton's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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



Littleton, CO
May 3, 2021

Schedule of Findings and Questioned Costs for the Year Ended December 31, 2020

1. Summary of Auditor's Results

Type of report issued on the financial statements: **Unmodified**

Material weaknesses in financial reporting internal control noted: **None**

Significant deficiency(s) identified that are not considered to be material weaknesses in financial reporting: **None**

Material noncompliance noted: **None**

Material weaknesses in internal control over major programs: **None**

Significant deficiency(s) identified that are not considered to be material weaknesses over major programs: **None**

Type of report issued on compliance for major programs: **Unmodified**

Audit findings required to be reported: **None**

The following programs are considered to be major:

Coronavirus Relief Fund — CFDA 21.019

Dollar threshold used to distinguish Type A and Type B programs: **\$750,000**

Risk type qualification: **Not low-risk**

2. Findings relating to the financial statements which are required to be reported in accordance with Government Auditing Standards.

None

3. Findings and questioned costs for Federal Awards

None

4. Summary Schedule of Prior Audit Findings

None

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City of Brighton, Colorado
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended December 31, 2020

Federal Grantor/Pass-Through

<u>Grantor/Program Title</u>	<u>CFDA No.</u>	<u>Pass-through Entity Identifying Number</u>	<u>Expenditures</u>
Department of the Treasury			
Passed through Adams County			
Coronavirus Relief Fund - CARES Act	21.019	557513520	\$ 4,191,232
Total Department of the Treasury			<u>\$ 4,191,232</u>
Department of Housing and Urban Development			
Passed through the Adams County Community and Neighborhood Resources			
Community Development Block Grant - Sidewalk Improvement Project	14.218	B-19-UC-08-0001	\$ 168,827
Total Department of Housing and Urban Development			<u>\$ 168,827</u>
Department of Justice			
Coronavirus Emergency Supplemental Funding Program-			
OJP Bureau of Justice Assistance	16.034	2020-VD-BX-0912	\$ 44,716
Office on Violence Against Women Special Project - VAWA	16.029	2018-VA-19-026-17	\$ 68,970
Crime Victim Assistance - VOCA	16.575	2018-VW-19-024-17	\$ 194,977
Edward Byrne Memorial Justice Assistance Grant Program - JAG	16.738	2019-DJ-BX-0354	\$ 13,608
Total Department of Justice			<u>\$ 322,271</u>
Department of Homeland Security			
Passed through the Colorado Department of Local Affairs			
Emergency Management Performance Grant/	97.042	DHS-16-GPD-042-06-01	\$ 45,000
Local Emergency Management Support			
Total Department of Homeland Security			<u>\$ 45,000</u>
Executive Office of the President			
Passed through the Colorado North Metro Task Force			
High Intensity Drug Trafficking Areas Program-HIDTA Overtime	95.001	E660P1	\$ 21,116
Total Executive Office of the President			<u>\$ 21,116</u>
Total Federal Financial Assistance			<u><u>\$ 4,748,446</u></u>

CITY OF BRIGHTON, COLORADO
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2020

General

The accompanying Schedule of Expenditures of Federal Awards presents the activity of all federal financial assistance programs of the City of Brighton, Colorado primary government (the City). The City's reporting entity is defined in Note 1 to the City's basic financial statements. All federal financial awards received by the primary government directly from federal agencies, as well as federal financial awards passed through other government agencies, including the State of Colorado, is included on the schedule.

Note A – Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the City of Brighton, Colorado, and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Uniform Guidance, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. Governmental fund types account for the City's federal grant activity. Therefore, expenditures in the schedule of expenditures of federal awards are recognized on the modified accrual basis when they become a demand on current available financial resources.

Note B – CFDA and Contract Numbers

Federal CFDA numbers are from the Catalog of Federal Domestic Assistance published by the Office of Management and Budget and the General Services Administration.

Note C – Indirect Cost Rate

The City has elected not to use the 10% de minimus indirect cost rate allowed under Uniform Guidance.

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