ANNUAL

COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDING DEC. 31, 2021

TOWN OF ERIE, COLORADO

TOWN OF ERIE 1874

About the cover:

Downtown Erie Expansion Program
Volunteers paint traffic barricades to extend restaurant space into Briggs Street during the summer of 2021.

Photo credit:
Downtown Erie Business Association

Town of Erie, Colorado

Annual Comprehensive Financial Report
For the fiscal year ended
December 31, 2021

Prepared by the Finance Department

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Town of Erie, Colorado

Annual Comprehensive Financial Report
For the fiscal year ended December 31, 2021

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Introductory Section

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TOWN OF ERIE
1874

June 14, 2022

To the Honorable Mayor, Members of the Board of Trustees, and Residents of the Town of Erie:

State Law requires all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements. Pursuant to that requirement, we hereby issue this annual comprehensive financial report of the Town of Erie (the Town) for the fiscal year ended December 31, 2021.

This report is management's representation concerning the Town's finances. Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations Town management has established a comprehensive internal control framework designed both to protect the Town's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Town's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal controls should not outweigh their benefits, the Town's internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

CliftonLarsonAllen LLP, Certified Public Accountants, have issued unmodified ("clean") opinions on the Town's financial statements for the year ended December 31, 2021. The independent auditors' report is located at the front of the financial section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this letter and should be read in conjunction with it.

Profile of the Town

Erie was platted on January 25, 1871 and incorporated as the Town of Erie on November 16, 1874. It is the second oldest municipality in Weld County. Founded as a rural coal-mining town, Erie is now located on the northern fringe of the Denver-Boulder Metropolitan Area. The estimated population of the Town at December 31, 2021, is approximately 31,420, with a planning area that includes 48 square miles in Boulder and Weld Counties. The Town levies property tax on real properties located within its boundaries, has a municipal sales and use tax, and is empowered by state statute to extend its corporate limits by annexation. Annexation occurs periodically when deemed appropriate by the governing Board.

The Town has operated under the Trustee-Administrator form of government since its first meeting on November 16, 1874, as a statutory town. Policy-making and legislative authority are vested in the Board of Trustees (the Board) consisting of the mayor and six trustees. The Board is responsible for passing ordinances, adopting the budget, appointing committees, and appointing the town administrator, clerk, treasurer, and attorney. The town administrator is responsible for carrying out the goals, policies, and ordinances of the Board, for overseeing the day-to-day operations of the Town, and for appointing the heads of the various departments. The Board is elected on a nonpartisan basis. The mayor is elected for a two-year term and three trustees are elected for four-year terms at each biennial election. The mayor and trustees are elected at-large.

The Town provides a full range of services, including police protection; public works, engineering, and street maintenance; parks, trails, open space, and recreational activities; planning and building services; and administration. The Town also offers business-type services from its water, sewer, and storm drainage utilities, and the municipal airport. In addition, although it is a separate legal entity, the Town has established the Town of Erie Urban Renewal Authority (URA).

Other traditional municipal services such as fire protection and library services are provided to Erie's residents by outside special districts not affiliated with the Town. Other utility services, such as electricity, gas, and trash services, are provided by private companies not affiliated with the Town. Since these organizations are not affiliated with the Town, their financial information is not reported in the Town's financial statements.

The annual budget serves as the foundation for the Town's financial planning and control. All departments submit requests for appropriation to the finance director. The finance director and town administrator use these requests to begin developing a proposed budget. The budget is presented to the Board for review prior to October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. The Town's fiscal year ends on December 31. The appropriated budget is prepared by fund (e.g., general), department (e.g., police), and division (e.g., patrol). Department heads may transfer appropriations within a department, but not between funds. Transfers of appropriations between departments and funds, and appropriations increasing the budget, require Board of Trustee approval.

Factors Affecting Financial Condition

A government's finances are related to the local and national economies. For example, a downturn in the local economy may reduce the government's revenues as well as increase the demand for services from residents. The information presented in the financial statements is perhaps best understood when it is considered from a broader perspective.

Local Economy

Until the mid-1990's the Town experienced very slow population growth. However, since 2000 the Town's population has quadrupled, primarily reflecting growth in single-family residential homes. Residential construction activity continued to show strength in 2021 despite the ongoing pandemic, with 475 permits for new residential properties issued compared to 601 permits in 2020. To support that growth, the Town assesses permit, impact, and tap fees and uses this revenue to pay for improvements such as parks, recreation facilities, and transportation infrastructure. In addition, these fees are used to develop water resources and water, wastewater, and storm drainage infrastructure.

Town sales tax revenues are a key source of funding for services provided to the Town's residents and businesses. The Town expects that sales tax revenues will continue to grow as residential and commercial development occurs in and around the community. The opening of a King Soopers on Highway 7 in the last quarter of 2017 significantly increased the Town's sales tax revenues. In 2019, a change in internet sales tax regulations resulted in another sales tax increase as the Town began collecting taxes on online sales to Erie residents. In 2020, construction activity finally began on the southeast corner of Highway 287 and Arapahoe Road. The planned development – called Nine Mile – includes a Lowe's, mixed retail and commercial, and multi-family housing, which is expected to open in 2022. The Town continues to work on implementing a long-range plan for developing the Town's eastern edge along Interstate 25, which includes 255 acres that was strategically purchased to be a critical element in the economic development of this area. The Town continues to work on increasing the number of businesses throughout the community, including initiatives to enhance Historic Downtown Erie, Town Center/Four Corners, and the Highway 7 corridor, among other areas of potential development.

The immediate vicinity, including the Town, Boulder County, and Weld County, has an employed labor force of about 365,000. The Town's major employers range from retail to engineering to education to healthcare to light manufacturing. As of December 31, 2021, the Town government had 247 budgeted full-time equivalent employees, making it one of Erie's top five employers. As indicated above, the community is expected to maintain strong growth of high-quality residential construction. This growth should translate into corresponding growth in the number and variety of businesses in the community.

Long-term Financial Planning

As indicated above and discussed elsewhere in this report, the Town continues to maintain strong fund balance positions in its various funds. The Board and management believe it is prudent to conserve its level of reserves in the General Fund as the Town experiences continued growth and expands and diversifies its commercial base. This growth can be expected to lead to increased levels of sales, use and property tax revenues, in addition to other revenue sources not directly dependent on residential development.

The Board and staff assess the need for additional capital improvements as part of its long-range planning process. As part of the annual budget process, staff updates projections of capital needs over the next five years. Projects currently in progress or under consideration include an expansion of and improvements to the Town's park system, various roadway projects, increases in the capacity of the water and wastewater systems, and additions to the Town's open space and trails. In addition, the Town is a participant in both the Windy Gap Firming Project and the Northern Integrated Supply Project, parts of its efforts to ensure adequate water supplies as the Town grows.

Relevant Financial Policies

The Town has adopted various financial policies over the years, with periodic revisions when appropriate. These policies guide the financial operations of the Town and provide structure when developing the budget. The Town's budget policy provides that the fund balance in the General Fund will only be expended for one-time capital expenditures unless otherwise authorized by the Board of Trustees. The Town's operating reserve policy requires the Town to maintain a fund balance in the General Fund of 25% of the current year's budgeted operating expenditures, plus an additional reserve of $7.5 million to provide a funding source for one-time or capital expenditures or for services in the event of severe economic conditions. Enterprise funds must maintain a ninety-day operating and maintenance expense reserve plus 2% of the net book value of capital assets. All funds exceeded reserve requirements as of December 31, 2021.

Awards and Acknowledgements

The Government Financial Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its annual comprehensive financial report for the fiscal year ended December 31, 2020. This was the seventeenth consecutive year the Town has received this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for only one year. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

We would like to express our appreciation to all staff members who assisted and contributed to the preparation of this report. This report would not have been possible without the efficient and dedicated services of the entire staff of the finance and administration departments. Credit also must be given to the Mayor and the Board of Trustees for their unfailing support for maintaining the highest standards of professionalism in the management of the Town of Erie's finances.

Respectfully submitted,

Malcolm Fleming
Town Administrator

Stefanie Furman, CPA
Finance Director

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Erie
Colorado

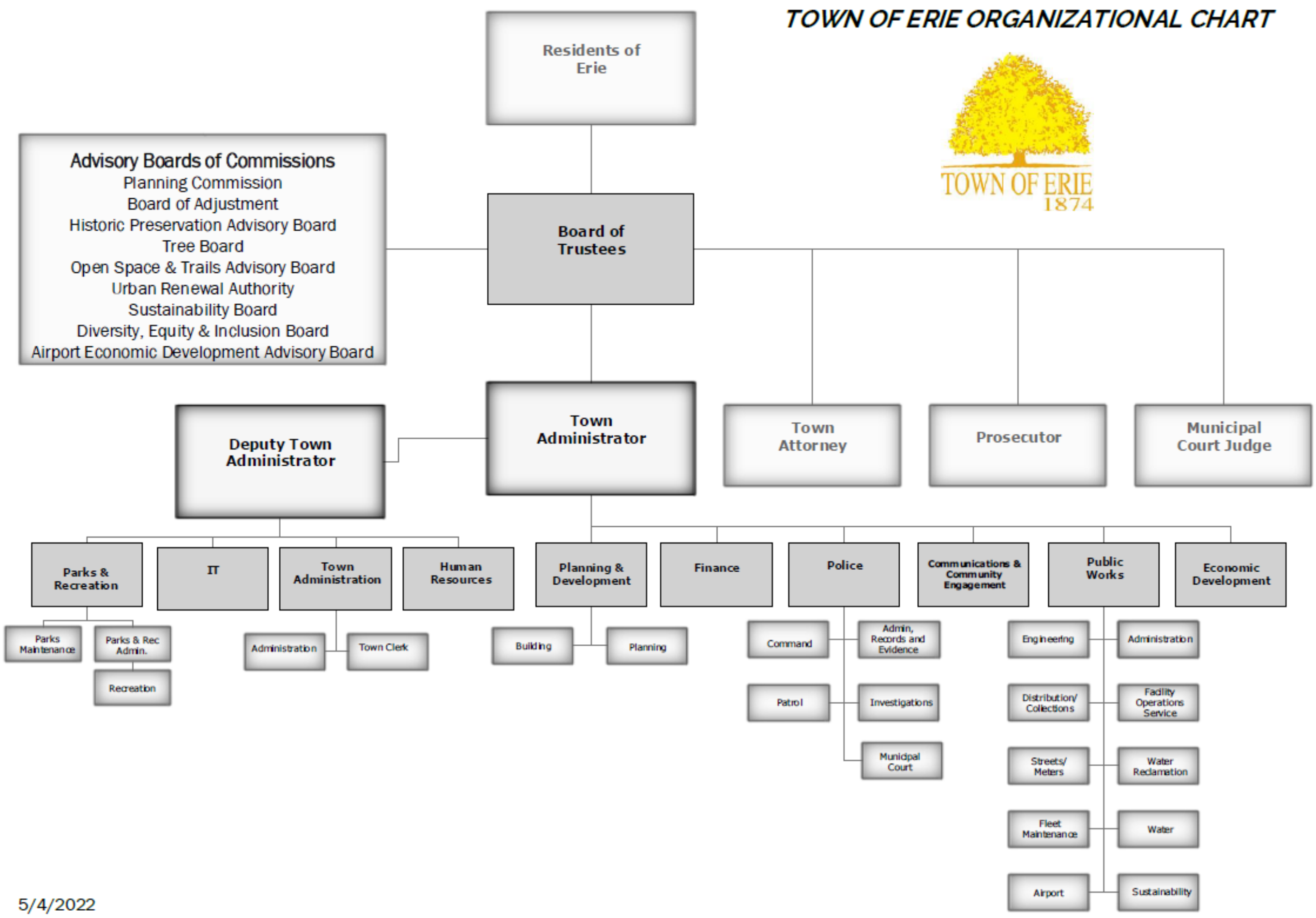
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

Organizational Chart



Town of Erie, Colorado
List of Town Officials

Note: List is as of the issuance date of this report.

Elected Officials - Mayor & Board of Trustees

Justin Brooks	Mayor	April 2024
Sara Loflin	Mayor Pro Tem	April 2024
Ari Harrison	Trustee	April 2024
Emily Baer	Trustee	April 2026
Andrew Sawusch	Trustee	April 2026
Brandon Bell	Trustee	April 2024
Dan Hoback	Trustee	April 2026

Appointed Officials

Malcolm Fleming	Town Administrator
Municipal Court Judge	Teresa Ablao
Prosecuting Attorney	Kristin Brown
Town Attorney	Kendra Carberry

Senior Staff

Melissa Wiley	Deputy Town Administrator
Stefanie Furman	Director of Finance
Todd Fessenden	Director of Public Works
Denise Jakan	Director of Information Technology
Vacant	Town Clerk
Gabi Rae	Communications & Community Engagement Director
Alicia Melendez	Director of Human Resources
Julian Jacquin	Director of Economic Development
Sarah Nurmela	Director of Planning & Development
Kim Stewart	Chief of Police
Amy Teetzel	Administrative Operations Director

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Financial Section

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CliftonLarsonAllen LLP
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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Town of Erie

Erie, Colorado

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Erie (the Town), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town'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, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2021, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison statements (budgetary basis) for the General Fund and the Urban Renewal Authority 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 (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town'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 Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and GASB required pension schedules as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund statements and schedules and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 14, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
June 14, 2022

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Management's Discussion and Analysis

The Town of Erie's (Town) management offers readers this narrative overview and analysis of the Town's financial activities for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information furnished in the letter of transmittal, found earlier in this report. Amounts in this section are rounded for purposes of easier understanding.

Financial Highlights

- The Town's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the end of 2021 by $656.8 million (net position). Of this amount, $152.7 million (unrestricted net position) may be used to meet the Town's ongoing obligations in accordance with financial policies.
- The Town's total net position increased by $77.2 million, or 13%, compared to 2020. Governmental net position increased by $30.5 million, or 13%, and business-type net position increased by $46.8 million, or 14%.
- At December 31, 2021, the Town's governmental funds reported combined ending fund balances of $103.6 million, an increase of $23.7 million from 2020. This increase reflects higher levels of sales tax revenues, continued high levels of development activity and expense control efforts.
- The General Fund, the Town's primary operating fund, reported unassigned fund balance of $40.2 million, representing 161% of actual operating expenditures for 2021.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. These consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these categories reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

The *statement of activities* presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). One purpose of the design of the statement of activities is to show the financial reliance of the Town's distinct functions on revenues provided by the Town's taxpayers.

Both government-wide financial statements distinguish Town functions 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 Town's governmental activities include general government (including the Town's urban renewal authority activities), public safety, public works, and parks and recreation. Business-type activities include the water system, wastewater system, storm drainage system and municipal airport.

The government-wide financial statements can be found on pages 31-32 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 Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the Town's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental funds are used to account for essentially the same functions as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the governmental funds information with similar information presented for governmental activities in the government-wide financial statements. By comparing the information, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide reconciliations to facilitate a comparison between governmental funds and governmental activities.

During 2021 the Town had twelve individual governmental funds, including the Town's urban renewal authority (URA). The General Fund is considered a *major fund*, as are the Transportation Impact Fund, Parks Improvement Fund, and the URA. Their fund information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances. The remaining individual governmental fund statements are provided in the form of combining statements in a later section of this report.

The Town adopts an annual appropriated budget for each of its governmental funds other than the Erie Community Civic Fund. Budgetary comparison statements for the general fund and the major special revenue funds are included in the basic financial statements to demonstrate compliance with the adopted budget.

The basic governmental fund financial statements can be found on pages 34-41 of this report.

The Town maintains two types of ***proprietary funds*** - enterprise and internal service funds. The proprietary fund financial statements are prepared on the accrual basis of accounting. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water, wastewater, storm drainage and airport operations.

Internal service funds are accounting devices used to accumulate and allocate costs internally among the Town's various functions. At the end of 2019 the Town created its first internal service fund, to be used to account for its fleet of vehicles and heavy equipment. These services predominantly benefit the governmental rather than business-type functions. As such, they are included within the governmental-activities in the government-wide financial statements. The activity in the Fleet and Equipment Acquisition Fund is used for monitoring the Town's fleet of vehicles and heavy equipment and is allocated between the governmental and business-type activities based upon actual usage. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail.

The Town adopts an annual appropriated budget for its proprietary funds. Budgetary comparisons for the proprietary funds are included in a later section of this report.

The basic proprietary fund financial statements can be found on pages 42-44 of this report.

Notes to the Financial Statements. The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-72 of this report.

Required Supplementary Information providing certain supporting pension schedules can be found on pages 73-76.

Combining Statements for the nonmajor governmental funds (referred to earlier) are presented following the required supplementary information. In addition, budget schedules for nonmajor governmental funds and all the proprietary funds are also presented in this section. This information can be found on pages 77-101.

Government-wide Financial Analysis

Statement of Net Position. As noted above, over time net position may serve as a useful indicator of a government's financial position. As of December 31, 2021, the Town's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was $656.8 million, an increase of $77.2 million over the total at December 31, 2020. The Town reported positive balances in net position for both governmental and business-type activities. Net position increased by $30.5 million in its governmental activities and $46.8 million in its business-type activities.

The following table reflects the Town's condensed statement of net position.

Statement of Net Position as of December 31 ***(in thousands)***

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Assets						
Current and other assets	$ 123,840	$ 94,787	$ 117,839	$ 104,945	$ 241,679	$ 199,732
Capital assets	178,375	166,960	331,644	301,194	510,019	468,154
Total assets	302,215	261,747	449,483	406,139	751,698	667,886
Deferred Outflows of Resources	1,790	1,888	2,722	2,980	4,512	4,868
Liabilities						
Long-term liabilities	18,270	15,199	57,473	61,141	75,743	76,340
Other liabilities	9,070	3,656	3,099	3,115	12,169	6,771
Total liabilities	27,340	18,855	60,572	64,256	87,912	83,111
Deferred Inflows of Resources	11,535	10,110	-	-	11,535	10,110
Net Position						
Net investment in capital assets	164,364	153,586	277,609	244,297	441,973	397,883
Restricted	61,250	46,605	794	879	62,044	47,484
Unrestricted	39,516	34,479	113,230	99,687	152,746	134,166
Total net position	$ 265,130	$ 234,670	$ 391,633	$ 344,863	$ 656,763	$ 579,533

The Town's net investment in capital assets represents 67.3% of its net position. These capital assets are used to provide necessary services to residents and therefore are not available for future spending. It should be noted that the resources to repay the associated debt must be provided from other sources, since capital assets themselves cannot be liquidated to provide the resources.

Restricted net position accounts for 9% of total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing 23.3% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

Statement of Activities. The following table provides a summary of the Town's statement of activities.

Statement of Activities for the year ending December 31 ***(in thousands)***

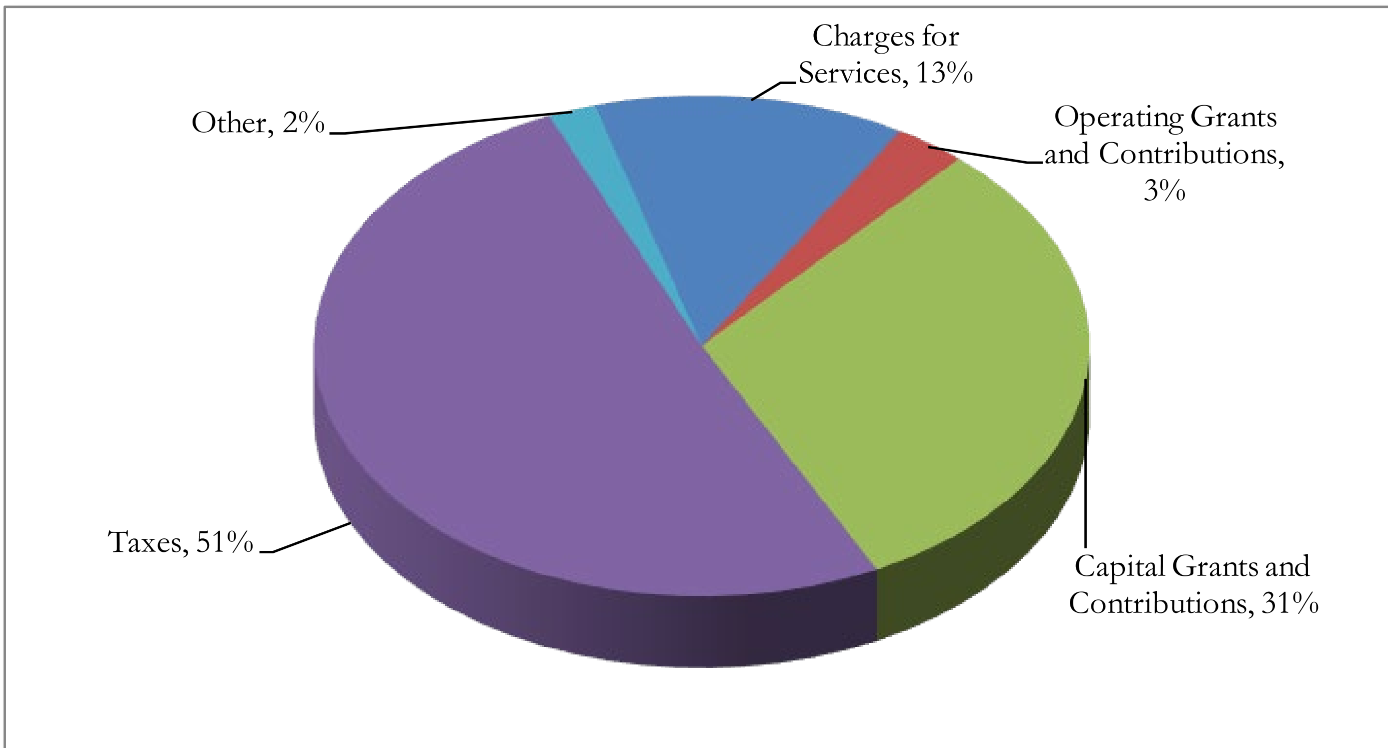
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	$ 8,868	$ 6,739	$ 20,053	$ 20,079	$ 28,921	$ 26,818
Operating grants and contributions	2,040	2,790	54	80	2,094	2,870
Capital grants and contributions	20,550	15,376	42,842	28,341	63,392	43,717
General revenues						
Taxes	33,628	28,271	-	-	33,628	28,271
Grants	-	-	-	-	-	-
Investment earnings	(48)	817	(70)	1,201	(118)	2,018
Other	1,359	2,088	134	63	1,493	2,151
Total revenues	66,397	56,081	63,013	49,764	129,410	105,845
Expenses						
General government	8,351	10,513	-	-	8,351	10,513
Public safety	6,995	5,599	-	-	6,995	5,599
Public works	8,088	3,363	-	-	8,088	3,363
Parks and recreation	9,294	6,261	-	-	9,294	6,261
Interest on long-term debt	423	346	-	-	423	346
Water	-	-	11,827	12,299	11,827	12,299
Wastewater	-	-	5,372	6,044	5,372	6,044
Storm drainage	-	-	1,506	2,111	1,506	2,111
Airport	-	-	324	358	324	358
Total expenses	33,151	26,082	19,029	20,812	52,180	46,894
Increase in net position before transfers	33,246	29,999	43,984	28,952	77,230	58,951
Transfers	(2,786)	-	2,786	-	-	-
Increase in net position	30,460	29,999	46,770	28,952	77,230	58,951
Net position - beginning	234,670	204,671	344,863	315,911	579,533	520,582
Net position - ending	$ 265,130	$ 234,670	$ 391,633	$ 344,863	$ 656,763	$ 579,533

Governmental Activities – Revenues: During 2021, the Town's primary revenue sources for governmental operations included taxes, accounting for 51% of total governmental revenues. In addition, capital grants and contributions represented 31% of total governmental revenues while charges for services made up 13%. Program revenues of $31.4 million were $1.8 million less than expenses. This is an ordinary occurrence for governments and indicates that taxes provide a primary source of revenues to support governmental operations.

Total governmental activities revenues of $66.4 million had an increase of $10.3 million, or 18.4%, compared to 2020. Contributing to the increase was sales, use, and property tax, which increased a total of $5.4 million, or 18.9% compared to 2020. Operating and capital grants and contributions increased by $4.4 million, or 24% compared to 2020. This increase is a result of increased grants in Parks and Recreation and Public Works, as well as an increase in capital contributions related to the completion of developer constructed improvements.

The following chart provides the breakdown of revenues by source for 2021:

Revenues by Source – Governmental Activities



Governmental Activities – Expenses: Total governmental activities expenses were $33.2 million in 2021, an increase of $7.1 million, or 18.4%, compared to 2020. The increase in expenses was due to the following:

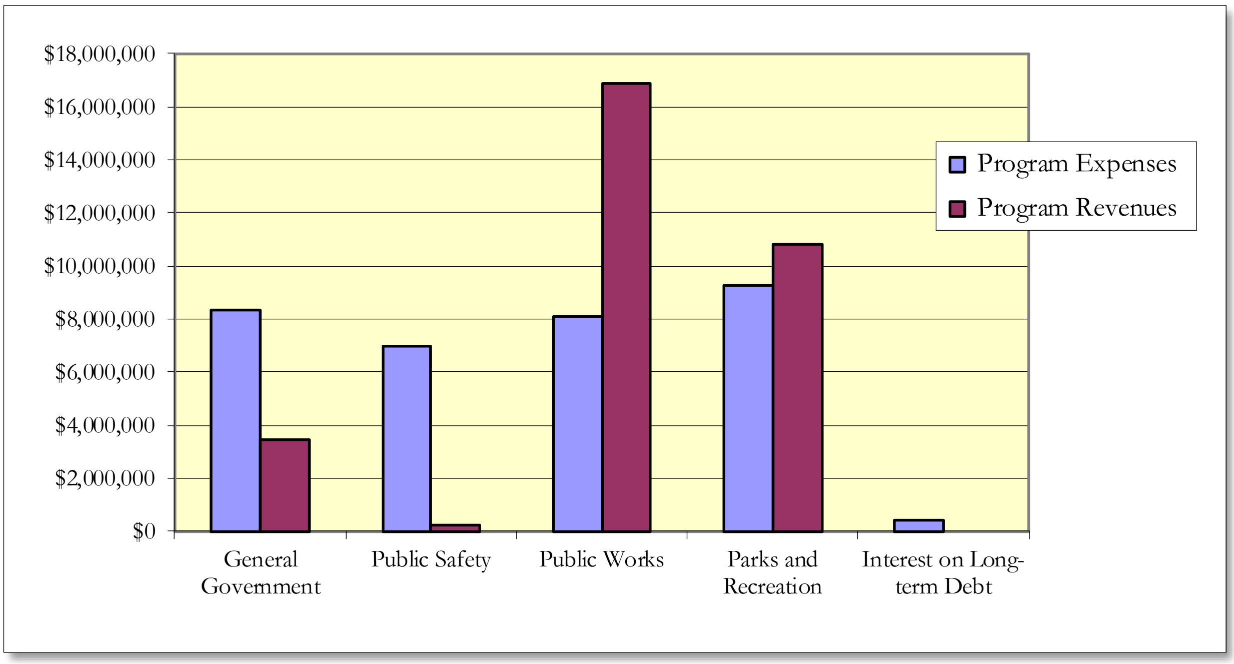
- Parks & Recreation expenses increased $3.0 million, or 48%, compared to 2020. This reflects the rebound of parks & recreation activities to pre-pandemic levels.

- Public Safety expenses increased $1.4 million, or 25%, compared to 2020. This reflects the additional patrol officers as well as salary and benefit cost increases.

- All other expenses increased $2.6 million, or 19%, compared to 2020. This reflects the additional staff and service level needed to support a growing town.

The following chart provides a comparison of 2021 expenses by function compared to the related program revenues for governmental activities:

Expenses and Offsetting Program Revenues – Governmental Activities

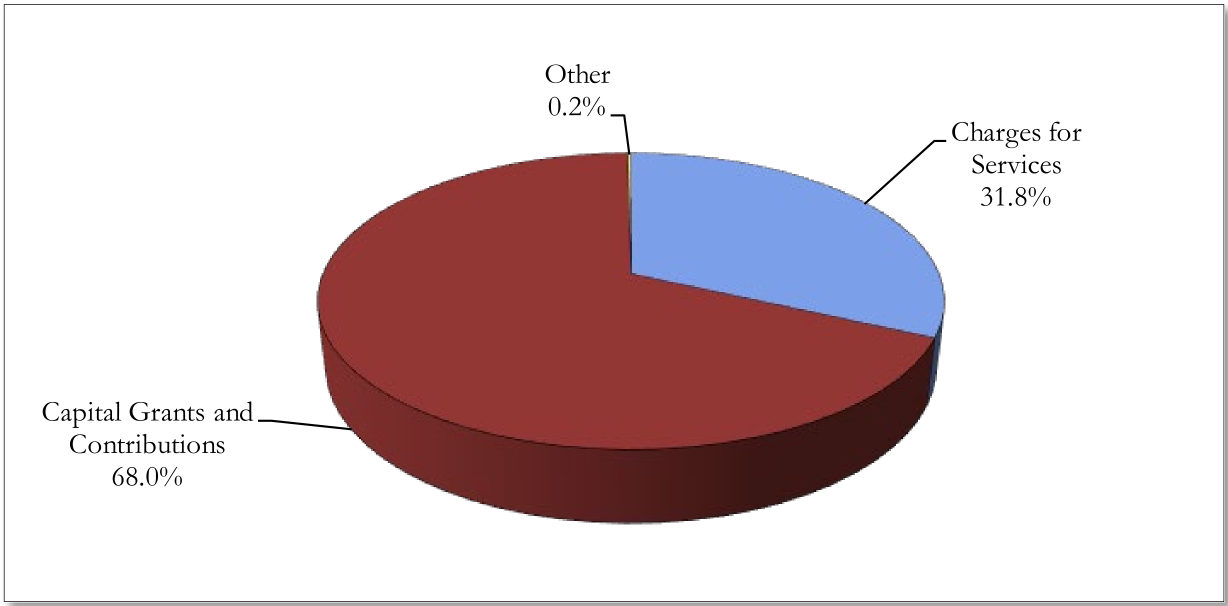


Business-type Activities – Revenues: Business-type activities primarily rely on charges for services to support related expenses. Charges for services of $20.1 million for business-type activities represented 31.9% of total 2021 business-type revenues. There was no significant change in charges for services when compared to the prior year.

The other primary source of revenue, representing 68% of revenues, comes primarily from capital contributions in the form of tap fees, developer constructed donated capital and reimbursements, and grants. This source of revenue was $42.8 million in 2021, an increase of $14.51 million, or 51%, compared to 2020. This is due to an increase in developer constructed infrastructure donated to the Town, as well as an increase in tap fees associated with new building development.

The chart on the following page provides the breakdown of revenues by source for business-type activities for 2021:

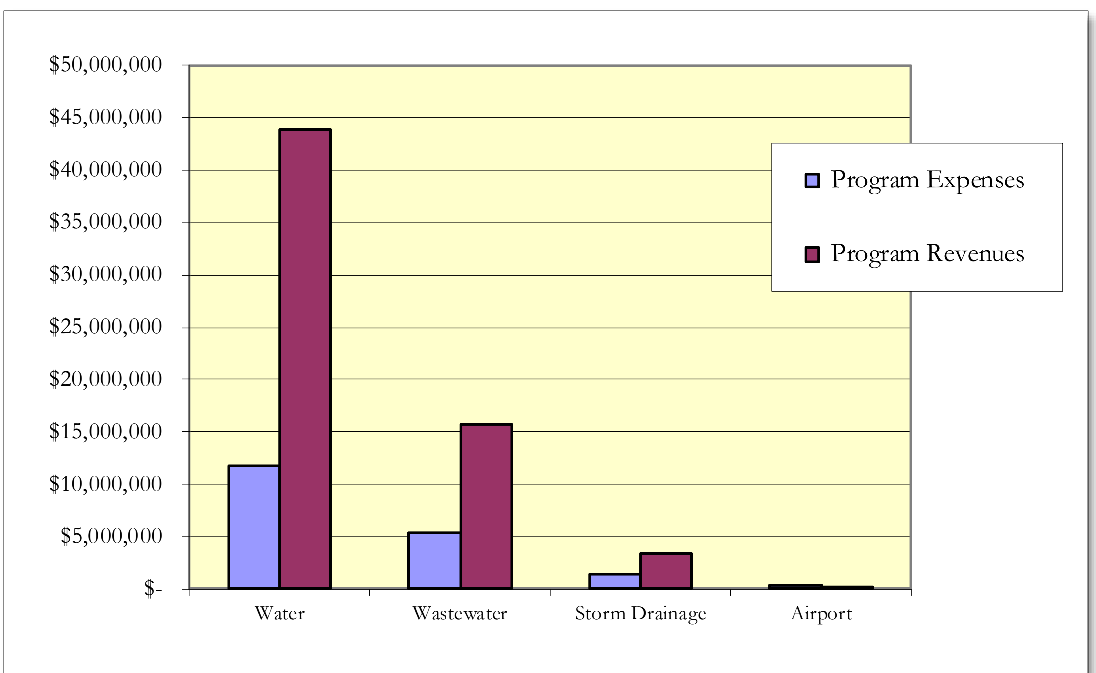
Revenues by Source – Business-type Activities



Business-type Activities – Expenses: Business-type expenses were $19 million in 2021, a decrease of $1.8 million, or 9%, compared to 2020. Contributing to this decrease was a decrease in interest expense due to no new debt being issued, and a decrease in operations & maintenance expense related to the one-time loss on disposal of an asset in the wastewater fund in 2020.

The following chart provides a comparison of 2021 expenses by function compared to the related program revenues for business-type activities:

Program Expenses and Offsetting Program Revenues – Business-type Activities



Financial Analysis of the Town's Funds

As discussed earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. 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. Unassigned fund balance is one of five fund balance classifications, as follows: nonspendable, restricted, committed, assigned, and unassigned fund balance.

Fund balances are the differences between assets and deferred outflows of resources, and liabilities and deferred inflows of resources in a governmental fund. The nonspendable fund balance includes amounts that are not in spendable form or amounts that are required to be maintained intact. Restricted fund balance includes amounts that can be spent only for the specific purposes stipulated by external providers, such as grant providers or bondholders, as well as amounts that are restricted constitutionally or through legislation. Committed fund balance includes amounts that can be used only for the specific purposes that are determined by a formal action of the government's highest level of decision-making authority. Assigned fund balance applies to amounts that are intended for specific purposes as expressed by the governing body and applies to remaining resources in any governmental fund other than the general fund. Unassigned fund balances include all amounts not contained in other classifications for the general fund, and deficit fund balances in any other governmental fund.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of $103.6 million. Of that amount, $1.7 million was nonspendable, $60.4 million was restricted, $0.3 million was committed, $2.6 million was assigned and $38.7 million was unassigned fund balance.

The General Fund, the primary operating fund of the Town, had a fund balance at December 31, 2021, of $47.7 million, of which $1.5 million was nonspendable, $3.4 million was restricted, $2.6 million was assigned and $40.2 million, was unassigned.

As just noted, the General Fund has $1.5 million in nonspendable fund balance. This amount primarily represents the noncurrent portion of advances to the URA, used to fund operations and the acquisition of certain properties in planned urban renewal areas. This advance will be repaid by the URA as urban renewal projects are identified and tax increment bond financing related to these projects is obtained by the URA or recovered through other revenue sources. See Note III.D. on page 60 for more information.

As a measure of the General Fund's liquidity, it is useful to compare unassigned fund balance to total fund expenditures. The unassigned fund balance of $40.2 million represents 160.6% of General Fund 2021 actual operating expenditures and 116% of 2022 budgeted operating expenditures.

The Town has two General Fund reserve policies. The first requires a reserve of 25% of operating expenditures be maintained. Based on 2022 budgeted expenditures, the required reserve is $8.7 million. In addition, in 2010 the Town established a $7.5 million reserve which may only be used with the approval of the Board of Trustees for one-time or capital expenditures, or in the event of revenue reductions due to severe economic conditions to prevent significant reduction in services. In addition to unassigned fund balance, a portion of the restricted fund balance is available to meet these policy targets. As of year-end the available fund balance exceeded the policy targets.

Total fund balance of the General Fund increased $10 million for the current year. Total General Fund revenues of $41.2 million increased $6.9 million, or 20%, compared to 2020, primarily reflecting strong growth in sales, use and property taxes.

General Fund expenditures of $31.5 million increased approximately $4.8 million, or 18%, compared to the prior year. This is mainly driven by General Fund capital expenditures of $5 million, which increased $2 million, or 66%, compared to the prior year.

In 2021, the Town had three other major governmental funds. Essentially all the revenues of the Parks Improvement Fund come from impact fee revenues used to construct and acquire parks and related improvements. Similarly, the revenues of the Transportation Impact Fund come from impact fee revenues used to construct and acquire transportation infrastructure and related improvements.

The remaining major governmental fund in 2021 was the Town's urban renewal authority. Prior to 2012 the URA had no significant activities. Since then, the URA has expended approximately $7 million for the purchase and improvement of real estate for future urban renewal projects, almost all of which were related to the Nine Mile project, a mixed commercial/retail/multi-family development planned for the southwest corner of Highway 287 and Arapahoe Road. In addition, the URA has expended over $3 million in operating expenses since inception, primarily for legal and consulting fees to identify various urban renewal areas along with other related activities, and allocated personnel costs of Town support staff.

A total of $24.7 million in fund balances are restricted or committed for future capital outlays and similar purposes in the other (nonmajor) governmental funds.

See Note I.D. starting on page 50 and Note III.D. starting on page 60 for more information.

Proprietary Funds

The Town's proprietary fund financial statements provide the same type of information as found in the government-wide financial statements, but in more detail.

The total net position of all enterprise funds as of December 31, 2021, was $391.6 million, of which $113.2 million was unrestricted net position. Total net position increased $46.8 million over the prior year, with unrestricted net position increasing $13.5 million.

The $46.8 million increase in total net position is attributable primarily to an increase in the donation of developer constructed infrastructure across all enterprise funds. In the Water Fund, net position increased $32.2 million. In the Wastewater Fund, net position increased $10.3 million. In the Storm Drainage and Airport Funds, net position increased $4.3 million.

General Fund Budgetary Highlights

The 2021 General Fund original budget provided for a surplus of $1 million, reflecting revenues of $34.2 million, expenditures of $33.2 million, and other financing sources of $300 thousand. The final budget provided for a deficiency, or use of fund balance, of $9.2 million, reflecting revenues of $34.3 million, expenditures of $43.5 million, and other financing sources of $1.4 million. The expenditure budget increased $10.3 million to $43.5 million in the final budget. The primary expenditure changes were related to capital construction projects that were planned to begin late in 2021. The full project costs were budgeted in 2021, with any unspent capital budget to be rolled forward into 2022.

Actual results for 2021 in the General Fund was a surplus of $10 million. Revenues exceeded budget in almost all categories, with particularly favorable outcomes in sales and use tax, and licenses and permits. Expenditures were under budget primarily due to the timing of capital projects. Additional information can be found in "Governmental Funds" above.

Capital Assets and Debt Administration

Capital Assets

The Town's investment in capital assets includes land, water rights, buildings, improvements, machinery, equipment, and vehicles. It includes governmental activities as well as water, wastewater, storm drainage and airport infrastructure. Capital assets net of accumulated depreciation as of December 31, 2021, for its governmental and business-type activities amounted to $510 million, a net increase of $42 million from December 31, 2020. The increase in capital assets was the result of $46 million in Town-funded additions and $10 million in infrastructure constructed by developers and contributed to the Town, partially offset by $13.6 million in depreciation.

Capital Assets as of December 31, 2021 and 2020 (net of accumulated depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2021	2020	2021	2020	2021	2020
Land	$ 26,823	$ 26,978	$ 6,562	$ 6,557	$ 33,385	$ 33,535
Water rights	-	-	84,413	84,413	84,413	84,413
Buildings	29,853	30,843	749	776	30,602	31,619
Improvements other than buildings	105,423	103,808	173,742	172,764	279,165	276,572
Machinery, equipment, and vehicles	4,344	3,428	2,222	1,854	6,566	5,282
Construction in progress	11,932	1,903	63,956	34,830	75,888	36,733
Total capital assets	$ 178,375	$ 166,960	$ 331,644	$ 301,194	$ 510,019	$ 468,154

Major capital improvements during the fiscal year ended December 31, 2021, included the following:

Governmental Activities (total additions - $19.3 million)

- Developer-constructed infrastructure – primarily streets ($3.8 million)
- Erie Community Park ($6.6 million)

- Various street improvements ($1.5 million)
- Fleet vehicles ($1.3 million)

Business-type Activities (total additions - $37.6 million)

- Expansion of the wastewater treatment plant ($16.3 million)
- Developer-constructed infrastructure ($6.5 million)
- Waterline connections and improvements ($4.1 million)
- Storm connections and improvements ($3.6 million)
- Windy Gap & NISP projects ($2.8 million)
- Water treatment plant and turbine ($1.2 million)
- Well Project ($1.1 million)

Additional information on the Town's capital assets can be found in Note III.C. starting on page 58 of this report.

Long-Term Debt

At the end of 2021, the Town had $75.7 million in total outstanding long-term debt, a decrease of $0.1 million from December 31, 2020. Of this amount, $12 million represents general obligation bonds secured by all available Town revenue. The remainder is primarily secured by specific revenue sources (e.g., water revenues) and water rights.

The Town's general obligation bond rating was last reviewed by Moody's Investors Service in 2018, resulting in a rating increase from Aa2 to Aa1. The Town's ratings on its water system revenue bonds were reviewed in 2021, resulting in a rating increase from Aa3 to Aa2. The wastewater system revenue bonds were increased from A1 to Aa3 by Moody's Investors Services in 2017.

State statutes limit the amount of general obligation debt the Town may issue to 3% of estimated actual valuation. The current general obligation debt limitation for the Town is $150 million.

Additional information on the Town's long-term debt can be found in Note III.E. starting on page 60 of this report.

Economic Factors and Next Year's Budget

Several factors drive the Town's budget and financial performance. Some of these factors include area employment rates, retail sales, motor vehicle sales, construction activity, population growth, and capital infrastructure needs. Throughout 2021, the Town saw increased financial performance as the area began the long recovery from the global COVID-19. Our ending financial position and the outlook for 2022 remains positive.

The 2022 budget was approved by the Board of Trustees in December 2021. The General Fund, the Town's primary operating fund, had a budgeted surplus of $10,000. Revenue forecasts reflect a moderate increase in sales taxes, development related revenues, and recreation activities.

The Town has set aside significant amounts of reserves in the General Fund to enable it to continue to provide required services in the event of an economic downturn. The Town will continue to conserve resources until its commercial base grows, providing consistent and higher levels of sales, use, and property taxes.

On May 31, 2022, the Town completed the purchase of the Regency property, a key step of the Town Center development plan, which includes retail, restaurants, open space, and housing.

Financial Contact

This financial report is designed to provide users (residents, taxpayers, customers, investors, creditors, and other interested parties) with a general overview of the Town's finances and to demonstrate the Town's accountability and compliance with generally accepted accounting principles. Questions concerning any of the information presented in this report or requests for additional information should be addressed to the Town of Erie, Finance Director, P.O. Box 750, Erie, CO, 80516.

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Basic Financial Statements

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Town of Erie, Colorado
Statement of Net Position
December 31, 2021

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled Cash and Investments	$ 95,707,926	$ 112,422,793	$ 208,130,719
Restricted Cash and Investments	11,421,616	2,833,793	14,255,409
Receivables	15,727,200	2,155,483	17,882,683
Prepaid Items and Other Assets	150,967	426,637	577,604
Capital Assets Not Being Depreciated			
Land and Water Rights	26,822,686	90,975,006	117,797,692
Construction in Progress	11,932,378	63,956,193	75,888,571
Capital Assets, Net of Accumulated Depreciation	139,619,827	176,712,905	316,332,732
Net Pension Asset	832,568	-	832,568
Total Assets	302,215,168	449,482,810	751,697,978
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refundings	432,297	2,722,250	3,154,547
Pension Related Items	1,357,937	-	1,357,937
Total Deferred Outflows of Resources	1,790,234	2,722,250	4,512,484
LIABILITIES			
Accounts Payable	2,547,124	2,447,749	4,994,873
Accrued Interest Payable	48,851	257,022	305,873
Accrued Wages Payable	525,248	62,445	587,693
Other Liabilities	2,061,454	264,379	2,325,833
Unearned Revenue	3,888,063	67,154	3,955,217
Short-term Note Payable	-	-	-
Noncurrent Liabilities:			
Due within one year	2,122,237	3,865,964	5,988,201
Due in more than one year	16,147,518	53,607,663	69,755,181
Total Liabilities	27,340,495	60,572,376	87,912,871
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	10,573,885		10,573,885
Pension Related Items	961,097	-	961,097
Total Deferred Inflows of Resources	11,534,982	-	11,534,982
NET POSITION			
Net Investment in Capital Assets	164,363,793	277,608,597	441,972,389
Restricted			
Capital Projects	54,024,765	-	54,024,765
Parks and Open Space	4,652,949	-	4,652,949
Pension	832,568	-	832,568
Operations and Maintenance Reserves	-	794,198	794,198
Emergencies	1,739,859	-	1,739,859
Unrestricted	39,515,991	113,229,889	152,745,880
Total Net Position	$ 265,129,925	$ 391,632,684	$ 656,762,609

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

Town of Erie, Colorado

Statement of Activities

For the Year Ended December 31, 2021

			Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total
FUNCTIONS/PROGRAMS					
Primary Government					
Governmental Activities					
General Government	$ 8,351,209	$ 3,227,872	$ 240,235	$ -	$ 3,468,107
Public Safety	6,994,602	240,420	8,914	-	249,334
Public Works	8,088,311	3,544,739	1,491,490	11,854,038	16,890,267
Parks and Recreation	9,293,615	1,852,950	299,757	8,696,300	10,849,007
Interest on Long-Term Debt	422,809	-	-	-	-
Total Governmental Activities	33,150,546	8,865,981	2,040,396	20,550,338	31,456,715
Business-type Activities					
Water	11,826,645	12,325,727	53,850	31,502,294	43,881,871
Wastewater	5,372,301	6,067,831	-	9,596,446	15,664,277
Storm Drainage	1,506,412	1,655,485	-	1,743,033	3,398,518
Airport	323,670	4,938	-	-	4,938
Total Business-type Activities	19,029,028	20,053,981	53,850	42,841,773	62,949,604
Total Primary Government	$ 52,179,574	$ 28,919,962	$ 2,094,246	$ 63,392,111	$ 94,406,319

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
	$ (4,883,102)	$ -	$ (4,883,102)
	(6,745,268)	-	(6,745,268)
	8,801,956	-	8,801,956
	1,555,392	-	1,555,392
	(422,809)	-	(422,809)
	(1,693,831)	-	(1,693,831)
	-	32,055,226	32,055,226
	-	10,291,976	10,291,976
	-	1,892,106	1,892,106
	-	(318,732)	(318,732)
	-	43,920,576	43,920,576
	$ (1,693,831)	$ 43,920,576	$ 42,226,745
GENERAL REVENUES			
Property Taxes	9,649,826	-	9,649,826
Sales and Use Taxes	22,552,706	-	22,552,706
Franchise Fees	1,047,336	-	1,047,336
Specific Ownership Taxes	378,143	-	378,143
Investment Earnings	(47,759)	(70,430)	(118,189)
Miscellaneous	1,359,217	133,814	1,493,031
Transfers In (Out)	(2,786,401)	2,786,401	-
Total General Revenues	32,153,068	2,849,785	35,002,853
Changes in Net Position	30,459,237	46,770,361	77,229,598
Net Position - Beginning	234,670,688	344,862,323	579,533,011
Net Position - Ending	$ 265,129,925	$ 391,632,684	$ 656,762,609

Town of Erie, Colorado
Balance Sheet
Governmental Funds
December 31, 2021

	General Fund	Transportation Impact Fund	Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Pooled Cash and Investments	$ 45,750,324	$ 19,092,135	$ 9,170,569	$ -	$ 21,694,898	$ 95,707,926
Restricted Cash and Investments	-	-	-	11,421,616	-	11,421,616
Receivables	10,097,059	14,371	7,050	3,188,724	2,419,996	15,727,200
Due From Other Funds	1,632,939		-	-	-	1,632,939
Prepaid Items and Other Assets	20,610	-	130,357	-	-	150,967
Total Assets	$ 57,500,932	$ 19,106,506	$ 9,307,976	$ 14,610,340	$ 24,114,894	$ 124,640,648
LIABILITIES						
Accounts Payable	1,511,828	191,623	722,299	11,709	109,665	2,547,124
Wages Payable	523,451	-	-	-	1,797	525,248
Other Liabilities	1,610,747	-	-	-	-	1,610,747
Advances from Other Funds	-	-	-	1,525,588	-	1,525,588
Unearned Revenue	499,028	12,338	8,120	-	3,368,577	3,888,063
Total Liabilities	4,145,054	203,961	730,419	1,537,297	3,480,039	10,096,770
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	5,299,339	-	-	3,183,458	2,091,088	10,573,885
Unavailable Fund Resources - Grants	343,944	-	-	-	-	343,944
Total Deferred Inflows of Resources	5,643,283	-	-	3,183,458	2,091,088	10,917,829
FUND BALANCES						
Nonspendable						
Interfund Advances - Noncurrent	1,525,588	-	-	-	-	1,525,588
Prepaid Items	20,610	-	130,357	-	-	150,967
Restricted for:						
Capital Projects	1,648,000	18,902,545	8,447,200	11,413,437	13,613,583	54,024,765
Parks and Open Space	-	-	-	-	4,652,949	4,652,949
Emergency Reserves	1,739,859	-	-	-	-	1,739,859
Committed to:						
Cemetery Operations	-	-	-	-	277,235	277,235
Assigned to:						
Purchases on Order	2,587,676	-	-	-	-	2,587,676
Unassigned	40,190,862	-	-	(1,523,852)	-	38,667,010
Total Fund Balances	47,712,595	18,902,545	8,577,557	9,889,585	18,543,767	103,626,049
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 57,500,932	$ 19,106,506	$ 9,307,976	$ 14,610,340	$ 24,114,894	$ 124,640,648

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

Town of Erie, Colorado

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

December 31, 2021

			Amount
The amounts reported as Governmental Activities on the Statement of Net Position (page 33) are different because:			
Total Governmental Fund Balances (page 36)		$	103,626,049
Capital assets utilized in Governmental Activities are not financial resources and, therefore, are not reported in the fund financial statements.			176,515,859
Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.			343,944
Long-term liabilities and related items are not due and payable in the current period and, therefore, are not reported in the fund financial statements.			
Bonds payable	(16,075,000)		
Unamortized bond issuance premium and discounts (net)	(557,234)		
Unamortized deferred refunding loss	432,297		
Accrued interest payable	(48,851)		
Compensated absences	(1,124,847)		
Other noncurrent liabilities	(450,707)		
Total long-term liabilities and related items			(17,824,342)
Net pension asset is not available to pay for current expenditures and, therefore, is not reported in the funds.			832,568
Deferred outflows of resources related to pensions used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Changes in assumptions	354,104		
Change in experience	706,100		
Contributions subsequent to the measurement date	294,980		
Change in proportionate share	2,753		
Total deferred outflows of resources			1,357,937
Deferred inflows of resources related to pensions used in governmental activities are not due and payable in the current year and, therefore, are not reported in the funds.			
Change in investment earnings	(855,167)		
Change in experience	(3,311)		
Change in proportionate share	(102,619)		
Total deferred inflows of resources			(961,097)
The internal service fund is used by management to charge the capital asset acquisition to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net position.			1,239,007
Net Position - Governmental Activities (page 33)		$	265,129,925

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

Town of Erie, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2021

	General Fund	Transportation Impact Fund	Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 29,133,082	$ -	$ -	$ 2,446,333	$ 2,048,596	$ 33,628,011
Intergovernmental	2,202,934	-	-	-	364,595	2,567,529
Licenses and Permits	4,211,015	-	-	-	-	4,211,015
Fees and Charges for Services	4,419,377	-	-	315	17,800	4,437,492
Fines and Forfeitures	240,420	-	-	-	-	240,420
Capital Contributions and Fees	-	7,361,871	3,842,191	-	5,591,195	16,795,257
Investment Earnings	(18,392)	(7,216)	(7,600)	(4,574)	(8,944)	(46,726)
Miscellaneous	1,039,749	-	-	-	8,937	1,048,686
Total Revenues	41,228,185	7,354,655	3,834,591	2,442,074	8,022,179	62,881,684
EXPENDITURES						
Current Operating:						
General Government	7,194,997	-	-	427,579	40,174	7,662,750
Public Safety	6,508,152	-	-	-	-	6,508,152
Public Works	4,258,974	-	-	-	50,467	4,309,441
Parks and Recreation	7,058,168	-	-	-	210,546	7,268,714
Capital Outlay	4,951,753	1,276,812	7,089,063	-	476,340	13,793,968
Debt Service						
Principal	1,025,000	-	-	-	-	1,025,000
Interest	463,705	-	-	25,511	-	489,216
Debt Issuance Costs	-	-	-	158,470	-	158,470
Total Expenditures	31,460,749	1,276,812	7,089,063	611,560	777,527	41,215,711
Excess (Deficiency) of Revenues Over (Under) Expenditures	9,767,436	6,077,843	(3,254,472)	1,830,514	7,244,652	21,665,973
OTHER FINANCING SOURCES (USES)						
Transfers In	465,490	47,813	750,000	-	-	1,263,303
Transfers Out	(333,360)	-	-	-	(4,049,703)	(4,383,063)
Bonds Issued	-	-	-	4,018,000	-	4,018,000
Proceeds on the Sale of Capital Assets	59,793	-	-	1,024,079	-	1,083,872
Insurance Recoveries	12,918	-	-	-	-	12,918
Total Other Financing Sources (Uses)	204,841	47,813	750,000	5,042,079	(4,049,703)	1,995,030
Net Change in Fund Balance	9,972,277	6,125,656	(2,504,472)	6,872,593	3,194,949	23,661,003
Fund Balance - Beginning	37,740,318	12,776,889	11,082,029	3,016,992	15,348,818	79,965,046
Fund Balance - Ending	$ 47,712,595	$ 18,902,545	$ 8,577,557	$ 9,889,585	$ 18,543,767	$ 103,626,049

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

Town of Erie, Colorado

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances

of Governmental Funds to the Statement of Activities

For the Year Ended December 31, 2021

		Amount
The amounts reported as Governmental Activities on the Statement of Activities (pages 34-35) are different because:		
Net Changes in Fund Balances - Governmental Funds (page 38)		$ 23,661,003
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlays	13,793,968	
Depreciation expense	(6,278,131)	
Excess of capital outlays over depreciation		7,515,837
Contributions of capital assets by developers increase net position in the statement of activities but do not appear in the governmental funds because they are not financial resources.		3,755,080
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		(542,533)
Governmental Funds report principal payments as expenditures. However, in the Statement of Activities these payments are reflected as a reduction in long-term debt obligations.		1,025,000
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 the Governmental Funds.		
Net book value of disposed assets	(873,406)	
Change in accrued interest payable	(10,250)	
Change in accrued compensated absences	(195,340)	
Amortization of premiums, discounts, deferred refunding losses and bond insurance premiums	$18,365	
Pension expense	79,600	
Total expenses not requiring current resources		(981,031)
Governmental Funds report proceeds from borrowings as other financing sources. However, in the Statement of Net Position these proceeds are reflected as debt obligations.		(4,018,000)
The Town's internal service fund is used by management to charge costs related to fleet and equipment acquisition to individual funds. The net revenue of the internal service fund is reported in governmental activities.		43,881
Change in Net Position - Governmental Activities (page 35)		$ 30,459,237

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

Town of Erie, Colorado
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Taxes	$23,186,700	$24,985,700	$29,133,082	$4,147,382
Intergovernmental	1,318,000	1,248,000	2,202,934	954,934
Licenses and Permits	2,621,500	2,621,500	4,211,015	1,589,515
Fees and Charges for Services	4,830,600	4,241,000	4,419,377	178,377
Fines and Forfeitures	303,000	303,000	240,420	(62,580)
Capital Contributions and Fees	1,137,000	-	-	-
Investment Earnings	235,000	235,000	(18,392)	(253,392)
Miscellaneous	575,100	697,700	1,039,749	342,049
Total Revenues	34,206,900	34,331,900	41,228,185	6,896,285
EXPENDITURES				
Current Operating:				
General Government				
Legislative	259,300	274,100	179,835	94,265
Town Administration	3,477,000	5,178,123	5,153,536	24,587
Community Development	2,727,200	3,406,871	3,327,766	79,105
Finance	588,500	709,382	1,311,687	(602,305)
Central Charges	438,300	846,499	(2,777,827)	3,624,326
Public Safety	6,694,100	6,875,446	6,508,152	367,294
Public Works	3,252,200	3,348,619	4,258,974	(910,355)
Parks and Recreation	7,549,800	7,681,400	7,058,168	623,232
Capital Outlay	6,720,500	13,689,774	4,951,753	8,738,021
Debt Service				
Principal	1,025,000	1,025,000	1,025,000	-
Interest	464,200	464,200	463,705	495
Total Expenditures	33,196,100	43,499,414	31,460,749	12,038,665
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,010,800	(9,167,514)	9,767,436	18,934,950
OTHER FINANCING SOURCES (USES)				
Transfers In	300,000	1,763,531	465,490	(1,298,041)
Transfers Out	-	(333,360)	(333,360)	-
Proceeds on the Sale of Capital Assets	-	-	59,793	59,793
Insurance Recoveries	-	-	12,918	12,918
Total Other Financing Sources (Uses)	300,000	1,430,171	204,841	(1,225,330)
Net Change in Fund Balance	$ 1,310,800	$ (7,737,343)	9,972,277	$ 17,709,620
Fund Balance - Beginning			37,740,318	
Fund Balance - Ending			$ 47,712,595	

Public Safety, Public Works, and Parks and Recreation are considered departments of the Government.

Town of Erie, Colorado
Erie Urban Renewal Authority
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive
	Original Budget	Final Budget	Actual	(Negative)
REVENUES				
Taxes	$ 2,288,000	$ 2,388,000	$ 2,446,333	$ 58,333
Fees and Charges for Services	1,000	1,000	315	(685)
Investment Earnings	-	-	(4,574)	(4,574)
Total Revenues	2,289,000	2,389,000	2,442,074	53,074
EXPENDITURES				
Current Operating:				
General Government	231,700	526,300	427,579	98,721
Capital Outlay	-	3,225,623	-	3,225,623
Debt Service				
Principal	-	-	-	-
Interest	-	25,511	25,511	-
Bond Issuance Costs	-	162,500	158,470	4,030
Total Expenditures	231,700	3,939,934	611,560	3,328,374
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,057,300	(1,550,934)	1,830,514	3,381,448
OTHER FINANCING SOURCES				
Bonds Issued	-	4,018,000	4,018,000	-
Proceeds from Sale of Capital Assets		1,024,080	1,024,079	(1)
Total Other Financing Sources	-	5,042,080	5,042,079	(1)
Net Change in Fund Balance	$ 2,057,300	$ 3,491,146	6,872,593	$ 3,381,447
Fund Balance - Beginning			3,016,992	
Fund Balance - Ending			$ 9,889,585	

Town of Erie, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2021

	Business-type Activities				Governmental Activities
	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund (1)
ASSETS					
Current Assets					
Pooled Cash and Investments	$ 84,420,758	$ 23,583,304	$ 4,418,731	$ 112,422,793	$ -
Restricted Cash and Investments	2,833,793	-	-	2,833,793	-
Receivables	1,147,660	785,196	222,627	2,155,483	-
Prepaid Items	386,910	39,727	-	426,637	-
Total Current Assets	88,789,121	24,408,227	4,641,358	117,838,706	-
Noncurrent Assets					
Capital Assets					
Construction in Progress	38,821,905	20,384,222	4,750,066	63,956,193	-
Land and Water Rights	90,259,984	59,022	656,000	90,975,006	-
Buildings, Property, and Equipment	124,402,274	76,047,284	48,324,172	248,773,730	2,188,196
Accumulated Depreciation	(40,583,454)	(20,257,271)	(11,220,100)	(72,060,825)	(329,164)
Total Capital Assets	212,900,709	76,233,257	42,510,138	331,644,104	1,859,032
Total Noncurrent Assets	212,900,709	76,233,257	42,510,138	331,644,104	1,859,032
Total Assets	301,689,830	100,641,484	47,151,496	449,482,810	1,859,032
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charges on Refunding	1,040,651	1,681,599	-	2,722,250	-
Total Deferred Outflows of Resources	1,040,651	1,681,599	-	2,722,250	-
LIABILITIES					
Current Liabilities					
Accounts Payable	572,478	1,707,489	167,782	2,447,749	-
Accrued Interest Payable	203,169	50,544	3,309	257,022	-
Wages Payable	38,802	18,386	5,257	62,445	-
Other Liabilities	264,379	-	-	264,379	-
Due to Other Funds	-	-	-	-	107,351
Unearned Revenue	53,424	13,730	-	67,154	-
Compensated Absences	57,071	26,832	7,672	91,575	-
Current Portion of Long Term Debt					
Certificates of Participation Payable	769,508	-	-	769,508	-
Loans Payable	-	144,594	13,811	158,405	-
Bonds Payable	2,142,792	668,067	-	2,810,859	-
Capital Lease Obligations	35,617	-	-	35,617	120,779
Total Current Liabilities	4,137,240	2,629,642	197,831	6,964,713	228,130
Noncurrent Liabilities					
Compensated Absences	20,226	9,509	2,719	32,454	-
Advances from Other Funds	-	-	-	-	-
Long Term Debt, Net of Unamortized Premiums and Discounts					
Certificates of Participation Payable	20,701,602	-	-	20,701,602	-
Loans Payable	-	1,114,305	206,796	1,321,101	-
Bonds Payable	16,260,564	15,147,835	-	31,408,399	-
Capital Lease Obligations	144,107	-	-	144,107	391,895
Total Noncurrent Liabilities	37,126,499	16,271,649	209,515	53,607,663	391,895
Total Liabilities	41,263,739	18,901,291	407,346	60,572,376	620,025
NET POSITION					
Net Investment in Capital Assets	176,261,750	59,222,967	42,123,880	277,608,597	1,346,358
Restricted					
Operations and Maintenance Reserves	-	794,198	-	794,198	
Unrestricted	85,204,992	23,404,627	4,620,270	113,229,889	(107,351)
Total Net Position	$ 261,466,742	$ 83,421,792	$ 46,744,150	$ 391,632,684	$ 1,239,007

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

(1) Fleet and Equipment Acquisition Fund

Town of Erie, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2021

	Business-type Activities				Governmental Activities
	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund (1)
OPERATING REVENUES					
Charges for Services	$ 12,325,727	$ 6,067,831	$ 1,660,423	$ 20,053,981	$ -
OPERATING EXPENSES					
Personnel Services	1,105,768	525,161	190,890	1,821,819	-
Operations and Maintenance	5,179,327	2,229,186	430,658	7,839,171	2,145
Depreciation	3,911,356	1,993,448	1,204,054	7,108,858	256,667
Total Operating Expenses	10,196,451	4,747,795	1,825,602	16,769,848	258,812
Net Operating Income (Loss)	2,129,276	1,320,036	(165,179)	3,284,133	(258,812)
NON-OPERATING REVENUES (EXPENSES)					
Investment Earnings	(43,489)	(22,586)	(4,355)	(70,430)	(1,033)
Intergovernmental	53,850	-	-	53,850	-
Other Non-Operating Income	44,417	4,965	84,432	133,814	-
Interest Expense	(1,630,194)	(624,506)	(4,480)	(2,259,180)	(29,633)
Total Non-Operating Revenues (Expenses)	(1,575,416)	(642,127)	75,597	(2,141,946)	(30,666)
Income (Loss) Before Contributions	553,860	677,909	(89,582)	1,142,187	(289,478)
Capital Contributions and Grants	31,502,294	9,596,446	1,743,033	42,841,773	-
Transfers In	178,797	-	2,607,604	2,786,401	333,360
Change in Net Position	32,234,951	10,274,355	4,261,055	46,770,361	43,882
Total Net Position - Beginning	229,231,791	73,147,437	42,483,095	344,862,323	1,195,125
Total Net Position - Ending	$ 261,466,742	$ 83,421,792	$ 46,744,150	$ 391,632,684	$ 1,239,007

(1) Fleet and Equipment Acquisition Fund

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

Town of Erie, Colorado
Combining Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2021

	Water Fund	Wastewater Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund (1)
Cash Flows from Operating Activities					
Receipts from Customers and Users	$ 12,486,428	$ 6,085,887	$ 1,758,678	$ 20,330,993	$ -
Payments to Employees	(1,198,714)	(628,517)	(193,260)	(2,020,491)	-
Payments to Suppliers	(5,338,500)	(1,903,808)	(287,663)	(7,529,971)	(2,145)
Net Cash Provided (Used) in Operating Activities	5,949,214	3,553,562	1,277,755	10,780,531	(2,145)
Cash Flows from Non-capital Financing Activities					
Operating Grants	365,093	-	-	365,093	-
Cash Flows Provided by/(Used in) Non-capital Financing Activities	543,890	-	201,200	745,090	440,711
Cash Flows from Capital and Related Financing Activities					
Receipts from Capital Grants	-	-	32,801	32,801	-
Acquisition and Construction of Capital Assets	(13,369,694)	(18,263,379)	(5,921,345)	(37,554,418)	(630,647)
Principal Paid on Capital Debt	(2,567,343)	(796,782)	(13,541)	(3,377,666)	(203,996)
Interest Paid on Capital Debt	(1,639,211)	(520,389)	(4,683)	(2,164,283)	(29,633)
Capital Contributions	31,502,294	9,596,444	1,743,033	42,841,771	-
Cash Flows Provided by (Used in) Capital and Related Financing Activities	13,926,046	(9,984,107)	(4,163,735)	(221,796)	(864,277)
Cash Flows from Investing Activities					
Earnings on Investments	(21,527)	(2,229)	(820)	(24,576)	102
Cash Flows Provided by Investing Activities	(21,527)	(2,229)	(820)	(24,576)	102
Net Decrease in Pooled Cash and Investments	20,397,623	(6,432,774)	(2,685,600)	11,279,249	(425,609)
Pooled Cash and Investments - January 1	66,856,928	30,016,077	4,697,927	101,570,932	425,609
Pooled Cash and Investments - December 31	$ 87,254,551	$ 23,583,303	$ 2,012,327	$ 112,850,181	$ 0
Reconciliation of Operating Loss to Net Cash Used in Operating Activities					
Operating Income (Loss)	$ 2,129,276	$ 1,320,036	$ (165,179)	$ 3,284,133	$ (258,812)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities					
Depreciation Expense	3,911,356	1,993,448	1,204,054	7,108,858	256,667
Other Income	44,973	-	84,254	129,227	-
Decrease in					
Accounts Receivable	115,728	18,056	14,002	147,786	-
Prepaid Items	251,689	2,496	-	254,185	-
Increase (Decrease) in					
Accounts Payable	(410,862)	322,882	142,995	55,015	-
Wages Payable	(27,242)	(32,448)	(1,626)	(61,316)	-
Compensated Absences Payable	(65,704)	(70,909)	(745)	(137,358)	-
Net Cash Provided (Used) In Operating Activities	$ 5,949,214	$ 3,553,562	$ 1,277,755	$ 10,780,531	$ (2,145)
Noncash Investing, Capital, and Financing Activities					
Capital Assets Acquired through Contributions	$ 2,802,924	$ 1,982,699	$ 1,733,033	$ 6,518,656	$ -
Capital Assets Acquired through Capital Lease	$ 139,800	$ -	$ -	$ 139,800	$ 643,084

Notes to the Financial Statements

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Town of Erie, Colorado
Notes to the Financial Statements
As of and for the year ended December 31, 2021

Note I. Summary of Significant Accounting Policies

The Town of Erie, Colorado (the Town), incorporated in 1874, is a statutory municipality governed by a trustee-administrator form of government through a mayor and six-member Board of Trustees. The Town provides the following services: police, public works, parks and recreation, community development, administration, finance, human resources, water, wastewater, and storm drainage. The Town also owns the Erie Municipal Airport.

A. Reporting Entity

The accompanying financial statements present the Town (the primary government) and its component units for which the government is financially accountable. The blended component units discussed below are included in the Town's reporting entity because of the significance of their operational or financial relationship to the Town and to ensure that the financial statements are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the Town. The Town considers the Town of Erie Urban Renewal Authority and the Erie Community Civic Fund as component units. Both entities are separate organizations for which the Town is financially accountable.

The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization.

A town's component units are presented either as "blended" or "discretely presented." If blended, it is reported as if it were a fund of the Town throughout the year. It is included at both the government-wide and fund financial reporting levels. Component units are considered special revenue governmental funds and are reported on a modified accrual basis.

Brief descriptions of the blended component units follow:

Town of Erie Urban Renewal Authority (URA) – The URA was created in 2011 by action of the Town Mayor and Board of Trustees, who serve as its Board of Commissioners in addition to four additional external commissioners, under the Colorado Urban Renewal Law. The URA is charged with the creation and implementation of the Town of Erie urban renewal plan pursuant to the Urban Renewal Law. Operations of the URA are funded from tax increment financing as well as General Fund resources, which will be repaid from various funding sources of the URA, including tax increment financing for urban renewal projects within its boundaries. The URA is reported as a special revenue fund. Separate audited financial statements of the URA are not available but are included as a blended fund.

Erie Community Civic Fund (ECCF) – The ECCF is a nonprofit organization established fully for the benefit of the Town, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. The ECCF is used to facilitate certain contributions and grants for support of various Town activities. Separate audited financial statements of the ECCF are not available but are included as a blended fund.

B. Government-wide and Fund Financial Statements

The government-wide financial statements, consisting of the statement of net position and the statement of activities, report financial information on all the activities of the Town and its component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support.

The statement of net position presents the financial position of the governmental and business-type activities of the Town at year-end.

The statement of activities demonstrates the degree to which direct expenses of given functions or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. The Town does not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers 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 operating or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and proprietary funds. The Town does not operate any fiduciary funds. Major individual governmental funds and enterprise funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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 a 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 considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period, and all other revenues to be available if they are collected within 120 days of the end of the current fiscal period.

Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments are recorded only when payment is due.

Property taxes, sales taxes, highway users' taxes, use taxes, franchise fees, other fees, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized when the qualifying expenditures have been incurred and all other eligibility requirements have been met. All other revenue items are measurable and available only when cash is received by the Town.

The fund financial statements provide information about the Town's funds, including its blended component units. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

The G*eneral Fund* is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *Transportation Impact Fund* accounts for impact fee revenues used to construct and acquire transportation related improvements.

The *Parks Improvement Fund* accounts for impact fee revenues used to construct and acquire parks and related improvements.

The *Town of Erie Urban Renewal Authority* is described above in I.A.

Proprietary funds – which include enterprise funds and internal service funds - distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of all proprietary funds are charges for services to customers. Operating expenses from proprietary 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 non-operating revenues and expenses.

The Town reports the following major enterprise funds:

The W*ater Fund* accounts for the acquisition, treatment, and distribution of the Town's water supply.

The W*astewater Fund* accounts for the collection and treatment of gray water in the Town's wastewater system.

Additionally, the Town utilizes an internal service fund to account for the acquisition of new and replacement vehicles and equipment, primarily for the benefit of its governmental activities.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. General revenues include all taxes, interest and investment earnings, and miscellaneous revenues.

Interfund transactions are treated and classified as revenues, expenditures, or expenses (the same as if these same transactions involved external organizations). These include interfund transfers and billings from one fund to another for the purchase of goods or services. In the government-wide statement of activities, interfund transactions are eliminated unless the transfer is between the governmental and the business-type activities.

D. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

The Town's cash and cash equivalents are unrestricted cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Whenever possible the Town pools cash to enhance investment opportunities and to facilitate management of cash resources. Investments are made taking into consideration safety, liquidity, and income potential, in that order. The Town makes investments pursuant to its investment policy and relevant State of Colorado statutes.

Investments are reported in accordance with GASB Statement 72, as amended.

2. Receivables and Payables

Activities between funds that represent lending/borrowing arrangements at the end of the fiscal year are referred to as either "due (to)/from other funds" (i.e., the current portion of interfund loans) or "advances to/(from) other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due (to)/from other funds." Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

By December 15 of each year, property taxes for the Town are levied by the Board and certified to Boulder County and Weld County for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 30 or in two installments by June 15 in the year of collection. The taxes are collected by the Boulder County and Weld County Treasurers on behalf of the Town. A 1% collection fee is retained by the Counties as compensation for collecting the taxes.

Property taxes levied in the General Fund, the Trails and Natural Areas Fund and the URA are included in receivables and deferred inflows at December 31, 2021. These taxes are classified as deferred inflows since they are not normally available to the Town until the middle of the following year and are budgeted for in the year in which they are collected.

3. Prepaid Items

Certain payments to vendors and other third parties reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Expenditures/expenses are recorded when the service underlying the prepaid item is provided (consumption method).

4. Restricted Assets

Certain proceeds from the issuance of bonds, as well as certain resources set aside for their repayment, are classified as restricted assets because their use is limited by applicable bond covenants. In addition, unexpended property tax receipts of the Town's urban renewal authority are classified as restricted assets because their use is restricted for various urban renewal activities.

5. Capital Assets

Capital assets, which include property, plant, equipment, and all infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) acquired since 1997, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the Town as assets with an initial, individual cost of more than $5,000 and an estimated useful life of three years or more. Such assets are recorded at acquisition cost or estimated acquisition cost, if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the Town are depreciated using the straight-line method with estimated useful lives as follows:

Asset Type	Years
Buildings and Improvements	5-50
Improvements Other Than Buildings	5-50
Machinery and Equipment	3-10
Vehicles	3-5

6. Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused paid time off and extended sick leave benefits. There is no liability for unpaid accumulated extended sick leave since the Town does not have a policy to pay any amounts when employees separate from service with the Town. All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. Compensated absences for governmental activities are paid for from the General Fund.

7. Long-term Obligations

Long-term debt and other long-term obligations are reported as liabilities in the government-wide and proprietary financial statements. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method over the term of the debt. Long-term debt payable is reported net of the applicable unamortized premiums or discounts. Debt issuance costs are reported as an outflow of resources.

In the fund financial statements for governmental fund-types, the par amount of debt issued and premiums received are reported as other financing sources. Bond discounts are reported as other financing uses. Issuance costs, even if withheld from the debt proceeds received, are reported as debt service expenditures.

8. Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the statement of financial position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources is a consumption of net position by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net position by the Town that is applicable to a future reporting period. Both deferred outflows and inflows are reported in the statement of net position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

The Town has certain items that relate to its pension plan that qualify for reporting as a deferred outflow of resources. See Note III.F.1. for more information. In addition, a deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources for the Town consist of property taxes receivable and reimbursement-based grants, as applicable in the government-wide and fund financial statements. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected. Reimbursement based grant revenue is considered a deferred inflow of resources in the year the Town has incurred qualified expenses/expenditures under the grant and are recognized as an inflow of resources in the period they are collected.

The Town also reports as deferred inflows of resources certain items related to its pension plan. See Note III.F.1. for more information.

9. Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Statewide Defined Benefit Plan (SWDB), administered by the Fire & Police Pension Association of Colorado (FPPA), and additions to/deductions from the SWDB's fiduciary net position have been determined on the same basis as they are reported by the FPPA. 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.

10. Fund Balances

Fund balances of governmental funds are reported in various categories, based primarily on the extent to which the Town is bound to observe constraints imposed upon the use of the resources for specific purposes.

The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes prepaid items and the long-term amount of interfund loans.

Restricted fund balances are amounts subject to externally enforceable legal restrictions. Such restrictions are typically imposed by parties such as creditors, grantors, contributors, other governments, or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes imposed by formal action through ordinance of the Board of Trustees and remains binding unless removed in the same manner.

Amounts in the assigned fund balance classification are intended to be used by the Town for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund assigned amounts represent intended uses established by the Board of Trustees, as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

Generally, the Town would first apply restricted, then committed, and then assigned resources prior to unassigned resources when an expenditure is incurred for purposes for which more than one of the classifications of fund balance is available.

<u>Minimum Fund Balances</u> – The Town has established minimum unrestricted fund balances for certain of its funds. For the General Fund, the minimum fund balance is 25% of annual budgeted operating expenditures. Proprietary funds are to maintain a minimum unrestricted net position of 25% of annual operating and maintenance expenses plus 2% of capital assets.

In 2010 the Board of Trustees passed a resolution that established an additional General Fund reserve. The reserve was established at $7,500,000. The reserve may only be used with the approval of the Board of Trustees for one-time or capital expenditures, or in the event of revenue reductions due to severe economic conditions to prevent a significant reduction in services. This reserve does not meet the definition of a stabilization arrangement pursuant to GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* and therefore is reflected in unassigned fund balance.

All minimum fund balance policy requirements were met as of December 31, 2021.

11. Use of Estimates

The preparation of the financial statements, in conformity with accounting principles generally accepted in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Note II. Stewardship, Compliance, and Accountability

A. Budgetary Information

The Town adopts annual budgets on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds. The budgets for proprietary funds are adopted on a non-GAAP modified accrual budgetary basis. All annual appropriations lapse at fiscal year-end. The Town does not adopt a budget for the Erie Community Civic Fund.

On or before October 15 of each year, the Town Administrator submits to the Town Board of Trustees a proposed operating budget for the fiscal year commencing on the following January 1. Study sessions and public hearings are conducted during Board of Trustee meetings to obtain input from elected officials, residents, and other interested parties. By December 15, the final budget is adopted.

The appropriated budget is adopted by fund. The budget is prepared by fund, department, and division. Managers can make transfers between line items within their departments without Board approval. All other changes require Board approval. The Board made supplemental appropriations during the year, which are reflected in the final budget columns of the financial statements and schedules.

Note III. Detailed Notes on All Funds

A. Deposits and Investments

Cash and investments are reported in the financial statements as follows:

Pooled cash and investments	$	208,130,719
Restricted cash and investments		14,255,409
Total	$	222,386,128

Cash and investments consist of the following:

Bank checking accounts		3,408,939
Investments		218,974,488
Cash on hand		2,700
Total	$	222,386,127

Deposits

As of December 31, 2021, the carrying amount of the Town's deposits was $3,408,939 .

Custodial Credit Risk

For deposits, custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. Town bank accounts at year-end were entirely covered by federal depository insurance or by eligible collateral maintained by another financial institution or held by the Town's custodial banks in its name under provisions of the Colorado Public Deposit Protection Act (CPDPA). The CPDPA requires financial institutions to pledge collateral having a market value of at least 102% of the aggregate public deposits not insured by federal depository insurance.

Investments

As of December 31, 2021, the Town had the following investments:

	Rating			Investment Maturities		
Investment Type	Moody's	S&P	Fair Value	Less than 1 Year	1 to 5 Years	% of Total
U.S. Treasury Notes			$22,711,482	$3,887,771	$18,823,711	10.4%
Agency	Aaa	AA+	30,051,975	18,308,494	11,743,481	13.7%
U.S. Corporate Notes	Aaa	AA+	1,057,805	-	1,057,805	0.5%
Commercial Paper	P-1	A-1+	998,350	998,350	-	0.5%
Supranational	Aaa	AAA	2,745,237	2,002,020	743,217	1.3%
BlackRock Liquidity Funds - FedFund Series	Aaa-mf	AAAm	37,200,000	37,200,000	-	17.0%
COLOTRUST PLUS+	n/a	AAAm	72,903,446	72,903,446	-	33.3%
CSAFE	n/a	AAA	1,816,103	1,816,103	-	0.8%
CSIP Liquid Portfolio	n/a	AAAm	45,511,460	45,511,460	-	20.8%
UMB MSILF Treasury Money Market	Aaa-mf	AAAm	3,090,529	3,090,529	-	1.4%
Wells Fargo 100% Treasury Money Market Fund	Aaa-mf	AAAm	888,101	888,101	-	0.4%
Total fair value			$218,974,488	$186,606,274	$32,368,214	100.0%

It is the policy of the Town to invest its funds in a manner that will provide for the highest investment return consistent with the preservation of principal and provision of the liquidity necessary for daily cash flow demands. The Town's investment policy applies to all investment activities of the Town, under the control of the finance director. The Town Municipal Code, Section 2-1-4, authorizes the investments that the Town can hold. Investments of the Town may include obligations of the United States of America or its agencies thereof, certificates of deposit, bankers' acceptances, commercial paper, investment-grade obligations of state and local governments, repurchase agreements collateralized by any of the foregoing securities, money market mutual funds, local government investment pools, corporate securities, and supranational securities.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy limits the Town's investment portfolio to maturities of less than five years and a weighted average maturity of less than 3 years. Additionally, the Town structures its investment portfolio so that investments mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

Credit Risk

Credit quality risk is the risk that the issuer or other counterparty to a debt security will not fulfill its obligations to the Town. The Town's investment policy limits investments to certain types of investments and diversifies the investment portfolio so the impact of potential losses from any one type of investment will be minimized.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the Town's investment in a single issuer. Pursuant to its investment policy, the Town has established various limits for issuers for each of the types of securities in which it is permitted to invest.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investment policy addresses this risk by requiring the pre-qualifying of financial institutions, broker/dealers, intermediaries, and advisers with which the Town does business to ensure that such risk is minimized.

Local Government Investment Pools

As shown in the table on the previous page, the Town had investments in the Colorado Government Liquid Asset Trust (COLOTRUST), Colorado Statewide Investment Program (CSIP) and Colorado Surplus Asset Fund Trust (CSAFE) at year-end. COLOTRUST, CSIP and CSAFE are investment vehicles established for local government entities in Colorado to pool surplus funds. These funds were established under the authority of, and in conformity with, Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes. The State of Colorado regulates these funds.

These funds operate similarly to money market funds and each share is valued at $1.00. Fund investments include U.S. Treasury bills, notes, note strips, repurchase agreements collateralized by U.S. Treasury securities and commercial paper. Designated custodial banks provide safekeeping and depository services to these funds in connection with the funds' direct investment and withdrawal functions. The custodians' internal records identify investments owned by the funds.

Fair Value of Investments

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs.

There is a hierarchy of three levels of inputs that may be used to measure fair value, as follows:

Level 1: Quoted prices (unadjusted) in active markets for an identical asset or liability that a government can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Unobservable inputs for an asset or liability.

The Town's investment in COLOTRUST PLUS+ is measured at net asset value, equal to $1.00 per share. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. BlackRock Liquidity Funds – FedFund Series, CSAFE, CSIP Liquid Portfolio and the Wells Fargo Treasury Money Market Fund are valued at amortized cost. All other Town investments are valued using Level 2 inputs.

B. Accounts Receivable

Receivables as of year-end for the Town's individual major funds and nonmajor funds, in the aggregate, are as follows:

Governmental:	General	Transportation Impact	Parks Improvement	Urban Renewal Authority	Nonmajor Governmental	Total Governmental
Property taxes	$ 5,299,339	$ -	$ -	$ 3,183,458	$ 2,091,111	$ 10,573,908
Sales taxes	3,028,045	-	-	-	-	3,028,045
Other taxes	300,575	-	-	-	-	300,575
Customers	80,968	-	-	-	-	80,968
Intergovernmental	343,944	-	-	-	311,242	655,186
Interest	32,516	14,371	7,050	5,266	17,643	76,846
Other	1,011,672	-	-	-	-	1,011,672
Total receivables	$ 10,097,059	$ 14,371	$ 7,050	$ 3,188,724	$ 2,419,996	$ 15,727,200

Business-type:	Water	Wastewater	Storm Drainage	Airport	Total Business-type	Internal Service
Customers	$ 877,569	$ 766,956	$ 219,305	$ -	$ 1,863,830	$ -
Intergovernmental	206,984	-	-	-	206,984	-
Interest	63,107	18,240	2,341	134	83,822	-
Other	-	-	-	847	847	
Total receivables	$ 1,147,660	$ 785,196	$ 221,646	$ 981	$ 2,155,483	$ -

C. Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital assets, not being depreciated:				
Construction in progress	$ 1,903,345	$ 11,031,611	$ (1,002,578)	$ 11,932,378
Land and open space	26,978,014	741,334	(896,662)	26,822,686
Total capital assets, not being depreciated	28,881,359	11,772,945	(1,899,240)	38,755,064
Capital assets, being depreciated:				
Buildings	39,759,208	-	-	39,759,208
Streets and other infrastructure	109,978,423	6,122,392	-	116,100,815
Parks and trails	27,175,550	684,192	(500,000)	27,359,742
Furniture and equipment	4,585,039	495,352	(278,612)	4,801,779
Vehicles	2,725,472	1,273,731	(179,409)	3,819,794
Total capital assets, being depreciated	184,223,692	8,575,667	(958,021)	191,841,338
Less accumulated depreciation for:				
Buildings	(8,916,367)	(990,084)	-	(9,906,451)
Streets and other infrastructure	(22,472,665)	(3,339,102)	-	(25,811,767)
Parks and trails	(10,873,424)	(1,352,165)	-	(12,225,589)
Furniture and equipment	(2,403,937)	(427,497)	278,612	(2,552,822)
Vehicles	(1,478,446)	(425,950)	179,514	(1,724,882)
Total accumulated depreciation	(46,144,839)	(6,534,798)	458,126	(52,221,511)
Total capital assets, being depreciated, net	138,078,853	2,040,869	(499,895)	139,619,827
Governmental activities capital assets, net	$ 166,960,212	$ 13,813,814	$ (2,399,135)	$ 178,374,891

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	$34,830,048	$ 30,326,919	($1,200,774)	$ 63,956,193
Land and reservoirs	6,557,492	4,717	-	6,562,209
Water rights	84,412,797	-	-	84,412,797
Total capital assets, not being depreciated	125,800,337	30,331,636	(1,200,774)	154,931,199
Capital assets, being depreciated:				
Buildings	936,579	-	-	936,579
Improvements other than buildings	236,491,716	7,768,408	-	244,260,124
Machinery and equipment	2,921,876	655,151	-	3,577,027
Total capital assets, being depreciated	240,350,171	8,423,559	-	248,773,730
Less accumulated depreciation for:				
Buildings	(160,641)	(26,503)	-	(187,144)
Improvements other than buildings	(63,728,003)	(6,795,270)	4,409	(70,518,864)
Machinery and equipment	(1,067,732)	(287,085)	-	(1,354,817)
Total accumulated depreciation	(64,956,376)	(7,108,858)	4,409	(72,060,825)
Total capital assets, being depreciated, net	175,393,795	1,314,701	4,409	176,712,905
Business-type activities capital assets, net	$ 301,194,132	$ 31,646,337	$ (1,196,365)	$ 331,644,104

Depreciation expense charged to functions /programs of the primary government are as follows:

Governmental Activities		
	General Government	246,712
	Public Safety	484,403
	Public Works	3,778,816
	Parks and Recreation	2,024,867
	Total Depreciation expense - governmental activities	6,534,798
Business-Type Activities		
	Water	3,911,356
	Wastewater	1,993,448
	Storm Drainage	910,565
	Airport	293,489
	Total Depreciation expense - business-type activities	$ 7,108,858

D. Interfund Receivables, Payables, and Transfers

There were two advances from the General Fund at December 31, 2021, to the Town's urban renewal authority (URA) for $ 1,525,588 and to the Fleet & Equipment Acquisition Fund for $107,351.

The advance to the URA was made to pay for purchases of certain properties and for operating expenditures of the URA. This advance is responsible for the negative unassigned fund balance in the URA fund. Repayment of the remaining advance is anticipated primarily pursuant to the development agreement for the development of the Nine Mile property at the corner of Highway 287 and Arapahoe Road. The exact timing, amount, and/or mechanism of repayment remains subject to terms and conditions as specified in the development agreement. As the advance is repaid, the negative fund balance in the URA will be reduced.

The advance to the Fleet & Equipment Acquisition Fund was related to the capital leases of vehicles and the purchase of Public Works Equipment. This advance will be repaid in 2022.

E. Long-term Debt

1. General Obligation Bonds

The Town issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds have only been issued for governmental activities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. They are payable from real property taxes. These bonds are issued as serial bonds with varying amounts of principal maturing each year. The Town also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The Town can also use other resources to pay debt service.

Long-term debt outstanding for general obligation bonds at December 31, 2021, was as follows:

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2013	General obligation refunding bonds	2.00 - 4.00	2.14	2026	$8,460,000	5,775,000
2014	General obligation bonds	3.25 - 3.75	3.24	2033	6,200,000	6,200,000
	Total general obligation bonds					$ 11,975,000

2. Notes from Direct Borrowings and Direct Placements

Revenue Bonds and Loans:

The Town also issues bonds where the government pledges income derived from the acquired or constructed assets to pay debt service. The Town also can use other resources to pay debt service. There are no unused lines of credit.

Revenue bonds and loans outstanding at year-end were as follows:

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
1995	Storm drainage revenue loan	2.00	2.00	2035	$ 498,512	$ 220,608
2009	Wastewater revenue loan	2.00	n/a	2030	1,534,700	408,899
2009	Wastewater revenue loan	0.00	0.00	2030	2,000,000	850,000
2009	Water revenue refunding bonds	2.00 - 4.00	n/a	2023	6,390,000	1,090,000
2011	Water revenue refunding bonds	2.00 - 5.00	2.51	2023	10,098,045	1,490,000
2015	Water revenue refunding bonds	2.00 - 5.00	3.17	2032	12,335,000	11,055,000
2016	Wastewater revenue refunding bonds	2.00 - 5.00	2.91	2037	16,670,000	14,255,000
2017	Water revenue refunding bonds	3.24	3.12	2032	4,575,000	3,960,000
2017	Urban Renewal Authority Revenue Bo	4.00	4.00	2038	4,100,000	4,100,000
	Total revenue bonds and loans					$ 37,429,507

Certificates of Participation:

The Town formed the Erie Finance Corporation (EFC) to issue certificates of participation (COPs) for the acquisition and construction of major capital additions and improvements. The COPs are secured by the underlying capital assets. Debt service payments are made from rents collected by EFC based upon annually renewable lease agreements between the Town and EFC. Payments are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the Town within the meaning of any constitutional or statutory debt limitation.

The Town entered into its first COPs transaction in 2005. COPs in the amount of $32,030,000 were issued to purchase Colorado-Big Thompson water shares. The 2005 COPs were retired in 2010, when the 2010 COPs were issued. The 2010 COPs carried a fixed rate of 2.70% through October 1, 2017, and carried a variable rate after that date. In 2014 the COPs were remarketed, resulting in the issuance of new certificates with maturities extending through 2040 and carrying a fixed rate. The effective interest rate of the new certificates was 3.76%. There are no collateralized assets. A summary of COPs payments is included in the business-type activities section below.

Annual debt service requirements to maturity for general obligation bonds and direct borrowings and direct placements are as follows:

	Governmental Activities		Governmental Activities		Business-Type Activities		Business-Type Activities	
	General Obligation Bonds		Revenue Bonds of Urban Renewal Authority		Revenue Bonds and Loans from Direct Borrowings and Direct Placements		Certificates of Participation from Direct Borrowings and Direct Placements	
Year Ending December 31,	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 1,070,000	$ 422,213	$ -	$ 164,000	$ 2,743,405	$ 1,281,522	$ 715,000	$ 879,525
2023	1,110,000	379,413	-	164,000	2,264,578	1,176,938	745,000	850,925
2024	1,155,000	335,013	-	164,000	2,105,774	1,085,318	775,000	821,125
2025	1,200,000	288,813	-	164,000	2,191,994	1,002,833	805,000	790,125
2026	1,240,000	252,813	45,000	164,000	2,288,239	906,601	845,000	749,875
2027-2031	4,275,000	807,250	1,105,000	733,800	12,891,139	3,049,661	4,860,000	3,119,125
2032-2036	1,925,000	108,935	1,700,000	463,400	7,584,376	843,994	5,915,000	2,062,250
2037-2040	-	-	1,250,000	83,800	1,260,000	37,800	5,780,000	603,700
	$ 11,975,000	$ 2,594,450	$ 4,100,000	$ 2,101,000	$ 33,329,506	$ 9,384,666	$ 20,440,000	$ 9,876,650

3. Other Long-Term Debt

Capital Lease Obligations

The Town has a capital lease agreement for the financing of 20 vehicles. The imputed interest rates on the leases ranged from 5.25% to 7.20%. The book value of the underlying assets was $745,050 at December 31, 2021. The following is a schedule by year of future minimum lease obligations as of December 31, 2021:

Year Ending December 31	Lease Payments
2022	$ 195,062
2023	195,062
2024	202,544
2025	134,679
2026	56,696
Total minimum lease payments	$ 784,043
Less: amount representing interest	(91,645)
Present value of minimum lease payments	$ 692,398

4. Changes in Long-term Liabilities

Long-term liability activity for the year ended December 31, 2021, was as follows:

	Balance at January 1, 2021	Increases	Decreases	Balance at December 31, 2021	Due within One Year
Governmental activities:					
Bonds and other debt payable:					
General obligation bonds	$ 13,000,000	$ -	$ (1,025,000)	$ 11,975,000	$ 1,070,000
Revenue bonds	-	4,100,000	-	4,100,000	-
Deferred Premiums & Discounts	745,525	(82,000)	(106,290)	557,235	100,949
Capital Lease Obligations	73,586	643,084	(203,996)	512,674	120,779
Total bonds and other debt payable	$ 13,819,111	$ 4,661,084	$ (1,335,286)	$ 17,144,909	$ 1,291,728
Compensated Absences	929,506	1,033,321	(837,981)	1,124,846	830,509
Total governmental activities	$ 14,748,617	$ 5,694,405	$ (2,173,267)	$ 18,269,755	$ 2,122,237
Business-type activities:					
Direct placements and direct borrowings					
Revenue bonds and loans	$ 35,976,762	$ -	$ (2,647,256)	$ 33,329,506	$ 2,743,405
Certificates of participation	21,140,000	-	(700,000)	20,440,000	715,000
Deferred Premiums & Discounts	3,680,736	-	(280,368)	3,400,368	280,367
Total direct placements and direct borrowings	$ 60,797,498	$ -	$ (3,627,624)	$ 57,169,874	$ 3,738,772
Capital Lease Obligations	81,831	140,087	(42,194)	179,724	35,618
Compensated Absences	262,455	100,106	(238,532)	124,029	91,574
Total business-type activities	$ 61,141,784	$ 240,193	$ (3,908,350)	$ 57,473,627	$ 3,865,964

The liability attributable to the governmental funds is recorded as governmental activities - noncurrent liability. Liabilities relating to employees of governmental funds are liquidated out of the associated fund.

5. Defeasance of Debt

In a prior year, the Town defeased certain water revenue bonds by placing the proceeds of new bonds into an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the Town's financial statements. This transaction resulted in an economic gain to the Town. On December 31, 2021, defeased bonds had remaining balances outstanding of $725,239.

F. Retirement Plans

1. Police Officers Pension Plan

a. General Information about the Pension Plan

Plan Description - The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the

FPPA. This is a noncontributory plan. All full-time, paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan.

Colorado statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at http://www.fppaco.org.

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

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. 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 Consumer Price Index or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

Contributions - The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

Members of the SWDB plan and their employers are contributing at the rate of 11.5 percent and 8.5 percent, respectively, of base salary for a total contribution rate of 20.0 percent in 2021. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. Contributions to the SWDB plan from the Town were $294,980 for the year ended December 31, 2021.

b. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related To Pensions

At December 31, 2021, the Town reported a net pension asset of $832,568 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation as of that date. The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2020, the Town's proportion was 0.3835 percent, which was an increase of 0.0091 percent from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Town recognized pension expense of $79,600. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	$ 706,100	$ 3,311
Changes of Assumptions or other Inputs	354,104	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	855,167
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share Share of Contributions	2,753	102,619
Contributions Subsequent to the Measurement Date	294,980	-
Total	$ 1,357,937	$ 961,097

$294,980 in total reported as deferred outflows of resources related to pension resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (credit) as follows:

Year Ended December 31,	Amount
2022	($107,806)
2023	3,115
2024	(140,757)
2025	5,527
2026	140,586
Thereafter	201,195

c. Actuarial Assumptions

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	Total Pension Liability	**Actuarial Determined Contributions**
Actuarial Valuation Date	January 1, 2021	January 1, 2020
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25 - 11.25%	4.25 - 11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The preretirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2020 are summarized in the table on the following page.

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	39.00 %	0.08 %
Equity Long/Short	8.00	6.87
Illiquid Alternatives	26.00	10.63
Fixed Income	10.00	4.01
Absolute Return	5.00	5.25
Managed Futures	10.00	5.60
Cash	2.00	2.32
Total	100.00	

d. Discount Rate

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

e. Sensitivity of the Town's Proportionate Share of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Town's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.00 percent, as well as what the Town's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate Share of the Net Pension Liability (Asset)	$837,849	($832,568)	($2,215,883)

f. Pension Plan Fiduciary Net Position

Detailed information about the SWDB's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained at http://www.fppaco.org.

g. Changes Between the Measurement Date of the Net Pension Asset and December 31, 2021

During 2020, legislation was passed effective January 1, 2021 that amended the Statewide Defined Benefit Plan. The stabilization reserve accounts (SRA) of the Defined Benefit System became self-directed accounts with assets of $123.6 million transferred to the FPPA Members' Self-Directed

Investment Fund after the January 1, 2021 actuarial valuation date. This transfer does not impact the net pension asset of the plan as the transfer of assets will reduce both the total pension liability and the plan fiduciary net position.

2. General Employees

The Town contributes to an employer defined contribution plan established for non-police employees.

Plan name:	The Town of Erie Savings Plan
Plan administrator:	Town Finance Director
Recordkeeper:	OneAmerica (a third-party trustee)

The plan was established by authority of the Town Board and can be amended by the Plan Trustees (Town Administrator and Finance Director). The Town Board establishes and may amend contribution requirements.

The plan is available to all non-police benefited employees (full-time employees and part-time employees working at least 24 hours per week). The plan was created in accordance with Internal Revenue Code (IRC) Section 457(b) (employee contributions) and 401(a) (employer contributions). Employees are eligible to participate on the first day of each month after their date of hire.

Under the terms of the plan the Town is the only non-employee contributor and matches dollar-for-dollar up to the first 5% of employee contributions. Participants are not required to contribute to the plan but may contribute up to $19,500 per year ($26,000 for employees over 50). Employer contributions are based on the participant's salary (salary, pay, or earned income less salary reductions made under IRC §125). During 2021, the Town made all required contributions to the plan, contributing $494,173. Employees contributed $986,134 (including voluntary contributions).

Employees vest immediately. Employees have a non-forfeitable interest in the employer contributions to their accounts held by the plan recordkeeper. Voluntary pre-tax and Roth (after-tax) contributions are allowed. Since a third-party trustee holds the assets in trust, they are not reflected in the Town's financial statements.

Note IV. Other Information

A. Risk Management

The Town faces risks of loss, including damage to and loss of property and contents, general and automobile liabilities, professional liability (i.e., errors and omissions), and workers' compensation. The Town carries commercial insurance for the risks of loss, including workers' compensation and property/casualty loss insurance. Settlements have not exceeded coverages for each of the past three fiscal years. Coverage limits and deductibles have stayed relatively constant in the past three years.

B. Litigation

The Town is currently the defendant in several lawsuits. Some of the lawsuits are in the process of appeal or settlement. Those lawsuits do not involve significant claims which have not already been provided for in prior years. Therefore, there does not appear to be a threat of significant liability to the Town from those lawsuits. In addition, there are several claims asserted against the Town. Legal counsel is of the opinion that insurance carried by the Town is sufficient to cover any potential adverse settlements from those claims covered by insurance. As to those claims which may not be covered by insurance, legal counsel is unable to form an opinion as to any potential adverse settlements.

C. Commitments and Encumbrances

At year-end, commitments and encumbrances by fund were as follows:

	Governmental	Enterprise	Total
General Fund	$ 2,587,676	$ -	$ 2,587,676
Trails & Natural Areas Fund	25,701	-	25,701
Conservation Trust Fund	15,436	-	15,436
Transportation Impact Fund	507,052	-	507,052
Parks Improvement Fund	9,066,321	-	9,066,321
Urban Renewal Authority	76,615	-	76,615
Water Fund	-	3,299,385	3,299,385
Wastewater Fund	-	12,446,925	12,446,925
Storm Drainage Operating	-	134,664	134,664
Total Commitments	$ 12,278,800	$15,880,974	$28,159,775

The commitments and encumbrances reflected in the above table technically lapse at the end of the year but are expected to be reappropriated and become part of the subsequent year's budget because performance under the various executory contracts is expected in the next year.

Most of the amounts reflected in the above table are related to capital projects, representing $27.5 million of the total. Of this amount, $12.4 million represents contractual commitments for the expansion of the Town's wastewater treatment plant. This project is expected to be completed in 2022. The Town is also participating in several raw water storage and delivery projects with the Northern Colorado Water Conservancy District. In 2021, the Town contributed $2,372,500 to the Northern Integrated Supply Project and $466,680 to the Windy Gap Firming Project. Future years' contributions to these projects depend on the Board of Trustees election to participate.

D. Contingent Liabilities

Federal grants are subject to audit which could result in disallowed costs, the amount which is undeterminable at December 31, 2021. If any costs are disallowed in the future, the Town expects them to be insignificant.

E. Annexation and Developer Agreements

The Town has entered into several annexation and developer agreements with various developers of residential/commercial developments. Among other things, these agreements indicate whether the Town or the developer is responsible for the construction of infrastructure and other improvements such as water, wastewater and storm drainage infrastructure, streets, trails, parks and similar capital improvements required to support the development. The Town's portion of these costs will be paid primarily from tap and impact fees collected from these developments.

The Town has entered into an agreement with Dillon Companies Inc. (Dillon) that provides for reimbursement by the Town to the developer up to $1.5 million for certain public improvements to be constructed by the developer. Reimbursements by the Town will be limited to the amount of sales tax received in the prior year on certain commercial parcels. Such reimbursements shall cease after the 10th year of such payments regardless of the total amount reimbursed to Dillon. During 2021, the Town paid Dillon $169,777 pursuant to this agreement. Cumulative reimbursements since inception pursuant to this agreement were $292,061 as of December 31, 2021.

The Town, through the URA, has entered into a public finance and development agreement with Erie Four Corners, LLC, Four Corners Business Improvement District and Four Corners Metropolitan District (collectively, the "Developer"). The Developer has agreed to construct the necessary infrastructure improvements for the project. The urban renewal authority will reimburse the Developer a portion of the cost of qualifying improvements, not to exceed $35,000,000 over a period not to exceed approximately 20 years. Reimbursement will be from incremental property taxes on the commercial and retail portions of the project. No reimbursements have been made to date on this project.

Also through the URA, in 2017 two tax abatement agreements were entered into to provide incentives for development in Historic Old Town through reimbursements of incremental property taxes. The first was for the construction of a commercial/retail/office building at 105 Wells St. with D&H Erie, LLC, and the second was with Four Lakes, LLC (d/b/a Echo Brewing Cask and Barrel) for the expansion of and improvements to 600/620 Briggs St. The maximum reimbursement under each of these agreements is $1,500,000. During 2021, the Town paid D&H Erie, LLC 69,667 pursuant to this agreement. Reimbursements under the agreement for Echo Brewing will begin in 2022.

In 2019 the URA entered into a property tax sharing agreement with 615 Briggs LLC for construction of a new building to house a restaurant and retail/office space in Historic Old Town. The agreement has a cap of $446,050 and has a term of up to 10 years, beginning with the date the certificate of occupancy is issued. During 2021, the Town paid 615 Briggs LLC $8,449 pursuant to this agreement.

In 2019 the URA also entered into a reimbursement agreement with RTD Birdhouse Holdings LLC for improvements to and expansion of 526 Briggs in Historic Old Town, with the primary occupant being a restaurant. The agreement provides for sharing of sales tax for a period of up to seven years, with a cap of $420,000. During 2021, the Town paid RTD Birdhouse Holdings LLC $43,656 pursuant to this agreement.

The URA has entered into a property and sales tax sharing agreement with Evergreen-287 & Arapahoe LLC for the development of land located on the southeast corner of Highway 287 and Arapahoe Road, known as the Nine Mile development ("Nine Mile"). Nine Mile will be a mixed-use development, with retail, commercial and multi-family components. The agreement provides for tax increment revenue to pay debt service costs on up to $12,800,000 in eligible infrastructure costs on the site, with the debt to be issued by a financing vehicle created by the developer. Certain operations and administrative costs will also be paid from the tax increment revenue.

F. Tax, Spending, and Debt Limitations

On November 3, 1992, the voters of the State approved Article X, Section 20, to the State Constitution (the Amendment). The Amendment provides for several limitations on government activities, including those related to revenue, expenditures, property taxes, and issuance of debt. These provisions of the Constitution are complex and subject to judicial interpretation. In the opinion of management, the Town is in compliance with such provisions.

The Amendment provides for exceptions related to "enterprises", defined as government-owned businesses authorized to issue revenue bonds and receiving less than 10% of its annual revenue in grants from all state and local governments combined. The Town's management is of the opinion that its Water, Wastewater, Storm Drainage, and Airport operations qualify for this exclusion.

In 1994, the Town's electorate authorized the Town to retain any revenues in excess of the limits imposed by the Amendment, pursuant to its existing sales and use tax code and general taxes on all taxable property without any increase in sales and use tax rates or increase in the general property tax mill levy. This effectively removed all revenue and spending limits imposed by Amendment. However, any future tax rate or tax code changes increasing tax revenues are subject to voter approval.

G. Emergency Reserve

The Town Board approved a resolution creating an emergency reserve as required by Article X, Section 20, of the Colorado Constitution. The year-end reserve of $1,739,859 is calculated based on the requirements of Article X, Section 20.

Note V. Subsequent Event

On April 26, 2022, the Town Board approved an amendment to the Purchase and Sale Agreement (Agreement) with Regency Realty Group Inc. (Regency) dated January 26, 2022, approving the Town's acquisition of an approximate 19.41-acre tract of vacant real property from Regency, located at the northwest corner of Erie Parkway and County Line Rd., in the Town of Erie. The purchase closed on May 31, 2022, for $4,000,000.

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Required Supplementary Information

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Schedule of the Town's Proportionate Share of the Net Pension Liability (Asset)
Last 10 Fiscal Years*

Fiscal Year	2021	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date	December 31, 2020	December 31, 2019	December 31, 2018	December 31, 2017	December 31, 2016	December 31, 2015	December 31, 2014	December 31, 2013
Town's Proportion of the Net Pension Liability (Asset)	0.383494610%	0.374357510%	0.342416226%	0.342000566%	0.331945195%	0.336245378%	0.331184028%	0.310560474%
Town's Proportionate Share of the Net Pension Liability (Asset)	$ (832,568)	$ (211,723)	$ 432,908	$ (492,022)	$ 119,945	$ (5,928)	$ (373,766)	$ (277,699)
Town's Covered Payroll	$ 3,080,269	$ 2,759,138	$ 2,212,900	$ 2,005,275	$ 1,775,038	$ 1,638,675	$ 1,489,488	$ 1,348,888
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(27.0%)	(6.9%)	19.6%	(24.5%)	6.8%	(0.4%)	(25.1%)	(20.6%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	106.7%	101.9%	95.2%	106.3%	98.2%	100.1%	106.8%	105.8%

* The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the Plan. Covered payroll is presented based on the fiscal year. Information earlier than 2014 was not available.

Town of Erie, Colorado
Schedule of Town Contributions
Last 10 Fiscal Years*

Fiscal Year	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**
Contractually Required Contribution	$ 294,980	$ 246,421	$ 220,731	$ 177,032	$ 160,422	$ 142,003	$ 131,094	$ 119,159	$ 107,911
Contributions in Relation to the Contractually Required Contribution	294,980	246,421	220,731	177,032	160,422	142,003	131,094	119,159	107,911
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
(Entity)'s Covered Payroll	$3,470,347	$3,080,269	$2,759,138	$2,212,900	$2,005,275	$1,775,038	$1,638,675	$1,489,488	$1,348,888
Contributions as a Percentage of Covered Payroll	8.5%	8%	8%	8%	8%	8%	8%	8%	8%

*The amounts presented for each fiscal year were determined as of December 31.

Combining and Individual Fund Statements and Schedules

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Town of Erie
Nonmajor Governmental Funds

Special Revenue Funds - Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Cemetery Fund: Accounts for revenues received from plot purchases at the municipal cemetery. Money is used for perpetual care expenditures at the cemetery.

Conservation Trust Fund: Accounts for revenues received from the Colorado State Lottery proceeds through the State's Conservation Trust Fund. It is used to acquire, develop, and maintain new conservation sites, and for capital improvements or maintenance for recreational purposes on any public site.

Grants Fund: Accounts for revenues received from federal, state, and local granting agencies. It is used to fulfill the requirements of the grant awards and/or contracts associated with the funds.

Trail and Natural Areas Fund: Accounts for property tax revenues used to acquire, construct, and maintain trails; and acquire and develop and maintain natural areas for public use.

Erie Community Civic Fund: A nonprofit organization, exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code that is used to facilitate certain contributions and grants for support of various Town activities.

Capital Projects Funds - Capital projects funds are used to account for the acquisition and construction of major capital facilities.

Public Facilities Impact Fund: Accounts for impact fee revenues used to construct and acquire public facilities.

Storm Drainage Impact Fund: Accounts for impact fee revenues used to acquire and construct the storm drainage system.

Tree Impact Fund: Accounts for impact fee revenues used to acquire and plant trees in public locations, and to issue certificates for tree purchases to homeowners of newly constructed homes.

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Pooled Cash and Investments	$ 8,080,313	$ 13,614,585	$ 21,694,898
Receivables	2,408,820	11,176	2,419,996
Total Assets	$ 10,489,133	$ 13,625,761	$ 24,114,894
LIABILITIES			
Accounts Payable	105,135	4,530	109,665
Wages Payable	1,797	-	1,797
Unearned Revenue	3,360,929	7,648	3,368,577
Total Liabilities	3,467,861	12,178	3,480,039
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,091,088	-	2,091,088
Total Deferred Inflows of Resources	2,091,088	-	2,091,088
FUND BALANCES			
Restricted for:			
Capital Projects	-	13,613,583	13,613,583
Parks and Open Space	4,652,949	-	4,652,949
Committed to:			
Cemetery Operations	277,235	-	277,235
Unassigned	-	-	-
Total Fund Balances	4,930,184	13,613,583	18,543,767
Total Liabilities and Fund Balances	$ 10,489,133	$ 13,625,761	$ 24,114,894

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2021

	Cemetery Fund		Grants Fund		Conservation Trust Fund		Trails & Natural Areas Fund		Erie Community Civic Fund		Total
ASSETS											
Pooled Cash and Investments	$	277,024	$	3,089,684	$	721,227	$	3,972,723	$	19,655	$	8,080,313
Receivables		211		313,731		544		2,094,334		-		2,408,820
Total Assets	$	277,235	$	3,403,415	$	721,771	$	6,067,057	$	19,655	$	10,489,133
LIABILITIES	`											
Accounts Payable		-		42,311		25,577		37,247		-		105,135
Wages Payable		-		-		1,797		-		-		1,797
Unearned Revenue		-		3,360,929		-		-		-		3,360,929
Total Liabilities		-		3,403,240		27,374		37,247		-		3,467,861
DEFERRED INFLOWS OF RESOURCES												
Property Taxes		-		-		-		2,091,088		-		2,091,088
Total Deferred Inflows of Resources		-		-		-		2,091,088		-		2,091,088
FUND BALANCES												
Restricted for:												
Parks and Open Space		-		175		694,397		3,938,722		19,655		4,652,949
Committed to:												
Cemetery Operations		277,235		-		-		-		-		277,235
Total Fund Balances		277,235		175		694,397		3,938,722		19,655		4,930,184
Total Liabilities, Deferred Inflows of Total Liabilities and Fund Balances	$	277,235	$	3,403,415	$	721,771	$	6,067,057	$	19,655	$	10,489,133

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2021

	Public Facilities Impact Fund	Storm Drainage Impact Fund	Tree Impact Fund	Total
ASSETS				
Pooled Cash and Investments	$ 7,065,511	$ 5,500,024	$ 1,049,050	$ 13,614,585
Receivables	5,313	5,073	790	11,176
Total Assets	$ 7,070,824	$ 5,505,097	$ 1,049,840	$ 13,625,761
LIABILITIES				
Accounts Payable	-	-	4,530	4,530
Unearned Revenue	3,824	3,224	600	7,648
Total Liabilities	3,824	3,224	5,130	12,178
FUND BALANCES				
Restricted for:				
Capital Projects	7,067,000	5,501,873	1,044,710	13,613,583
Total Fund Balances	7,067,000	5,501,873	1,044,710	13,613,583
Total Liabilities and Fund Balances	$ 7,070,824	$ 5,505,097	$ 1,049,840	$ 13,625,761

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2021

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	$ 2,048,596	$ -	$ 2,048,596
Intergovernmental	364,595	-	364,595
Fees and Charges for Services	17,800	-	17,800
Capital Contributions and Fees	1,392,449	4,198,746	5,591,195
Investment Earnings	(755)	(8,189)	(8,944)
Miscellaneous	8,937	-	8,937
Total Revenues	3,831,622	4,190,557	8,022,179
EXPENDITURES			
Current Operating:			
General Government	40,174	-	40,174
Parks and Recreation	145,898	64,648	210,546
Capital Outlay	408,306	68,034	476,340
Total Expenditures	644,845	132,682	777,527
Excess of Revenues Over Expenditures	3,186,777	4,057,875	7,244,652
OTHER FINANCING USES			
Transfers Out	(1,643,299)	(2,406,404)	(4,049,703)
Total Other Financing Uses	(1,643,299)	(2,406,404)	(4,049,703)
Net Change in Fund Balance	1,543,478	1,651,471	3,194,949
Fund Balance - Beginning	3,386,706	11,962,112	15,348,818
Fund Balance - Ending	$ 4,930,184	$ 13,613,583	$ 18,543,767

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2021

	Cemetery Fund	Grants Fund	Conservation Trust Fund	Trails & Natural Areas Fund	Erie Community Civic Fund	Total
REVENUES						
Taxes	$ -	$ -	$ -	$ 2,048,596	$ -	$ 2,048,596
Intergovernmental	-	64,838	299,757	-	-	364,595
Fees and Charges for Services	17,800	-	-	-	-	17,800
Capital Contributions and Fees	-	1,368,621	-	23,828	-	1,392,449
Investment Earnings	(187)	656	(427)	(797)	-	(755)
Miscellaneous	-	-	-	8,650	287	8,937
Total Revenues	17,613	1,434,115	299,330	2,080,277	287	3,831,622
EXPENDITURES						
Current Operating:						
General Government	-	40,174	-	-	-	40,174
Public Works	-	50,467	-	-	-	50,467
Parks and Recreation	-	-	120,047	25,851	-	145,898
Capital Outlay	-	-	173,091	235,215	-	408,306
Total Expenditures	-	90,641	293,138	261,066	-	644,845
Excess of Revenues Over Expenditures	17,613	1,343,474	6,192	1,819,211	287	3,186,777
OTHER FINANCING USES						
Transfers Out	-	(1,343,299)	-	(300,000)	-	(1,643,299)
Total Other Financing Uses	-	(1,343,299)	-	(300,000)	-	(1,643,299)
Net Change in Fund Balance	17,613	175	6,192	1,519,211	287	1,543,478
Fund Balance - Beginning	259,622	-	688,205	2,419,511	19,368	3,386,706
Fund Balance - Ending	$ 277,235	$ 175	$ 694,397	$ 3,938,722	$ 19,655	$ 4,930,184

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2021

	Public Facilities Impact Fund	Storm Drainage Impact Fund	Tree Impact Fund	Total
REVENUES				
Capital Contributions and Fees	$ 2,295,272	$ 1,578,274	$ 325,200	$ 4,198,746
Investment Earnings	(2,903)	(4,789)	(497)	(8,189)
Total Revenues	2,292,369	1,573,485	324,703	4,190,557
EXPENDITURES				
Current Operating:				
Parks and Recreation	-	-	64,648	64,648
Capital Outlay	68,034	-	-	68,034
Total Expenditures	68,034	-	64,648	132,682
Excess of Revenues Over Expenditures	2,224,335	1,573,485	260,055	4,057,875
OTHER FINANCING USES				
Transfers Out	-	(2,406,404)	-	(2,406,404)
Total Other Financing Uses	-	(2,406,404)	-	(2,406,404)
Net Change in Fund Balance	2,224,335	(832,919)	260,055	1,651,471
Fund Balance - Beginning	4,842,665	6,334,792	784,655	11,962,112
Fund Balance - Ending	$ 7,067,000	$ 5,501,873	$ 1,044,710	$ 13,613,583

Town of Erie, Colorado
Cemetery Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts Original Budget	Budgeted Amounts Final Budget	Actual	Variance With Final Budget Positive (Negative)
REVENUES				
Fees and Charges for Services	$ 25,000	$ 25,000	$ 17,800	$ (7,200)
Investment Earnings	3,000	3,000	(187)	(3,187)
Total Revenues	28,000	28,000	17,613	(10,387)
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	28,000	28,000	17,613	(10,387)
Net Change in Fund Balance	$ 28,000	$ 28,000	17,613	$ (10,387)
Fund Balance - Beginning			259,622	
Fund Balance - Ending			$ 277,235	

Town of Erie, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	$ 225,000	$ 225,000	$ 299,757	$ 74,757
Investment Earnings	5,000	5,000	(427)	(5,427)
Total Revenues	230,000	230,000	299,330	69,330
EXPENDITURES				
Current Operating:				
Parks and Recreation	176,400	242,000	120,047	121,953
Capital Outlay	120,000	120,000	173,091	(53,091)
Total Expenditures	296,400	362,000	293,138	68,862
Excess (Deficiency) of Revenues Over (Under) Expenditures	(66,400)	(132,000)	6,192	138,192
Net Change in Fund Balance	$ (66,400)	$ (132,000)	6,192	$ 138,192
Fund Balance - Beginning			688,205	
Fund Balance - Ending			$ 694,397	

Town of Erie, Colorado
Trails & Natural Areas Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	$ 2,054,000	$ 2,054,000	$ 2,048,596	$ (5,404)
Capital Contributions and Fees	-	-	23,828	23,828
Investment Earnings	13,000	13,000	(797)	(13,797)
Miscellaneous	7,000	7,000	8,650	1,650
Total Revenues	2,074,000	2,074,000	2,080,277	6,277
EXPENDITURES				
Current Operating:				
Parks and Recreation	50,500	50,500	25,851	24,649
Capital Outlay	630,500	1,188,020	235,215	952,805
Total Expenditures	681,000	1,238,520	261,066	977,454
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,393,000	835,480	1,819,211	983,731
OTHER FINANCING USES				
Transfers Out	(300,000)	(300,000)	(300,000)	-
Total Other Financing Uses	(300,000)	(300,000)	(300,000)	-
Net Change in Fund Balance	$ 1,093,000	$ 535,480	1,519,211	$ 983,731
Fund Balance - Beginning			2,419,511	
Fund Balance - Ending			$ 3,938,722	

Town of Erie, Colorado
Grants Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Intergovernmental	$ -	$ 232,453	$ 64,838	$ (167,615)
Capital Contributions and Fees	-	1,231,078	1,368,621	137,543
Investment Earnings	-	-	656	656
Total Revenues	-	1,463,531	1,434,115	(29,416)
EXPENDITURES				
Current Operating:				
General Government	-	5,500	40,174	(34,674)
Public Works	-	99,500	50,467	49,033
Total Expenditures	-	105,000	90,641	14,359
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	1,358,531	1,343,474	(15,057)
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	-	(1,358,531)	(1,343,299)	15,232
Total Other Financing Sources (Uses)	-	(1,358,531)	(1,343,299)	15,232
Net Change in Fund Balance	$ -	$ -	175	$ 175
Fund Balance - Beginning			-	
Fund Balance - Ending			$ 175	

Town of Erie Colorado

Erie Civic Community Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Miscellaneous	$ -	$ -	287	$ 287
Total Revenues	-	-	287	287
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	287	287
Net Change in Fund Balance	$ -	$ -	287	$ 287
Fund Balance - Beginning			19,368	
Fund Balance - Ending			$ 19,655	

Town of Erie, Colorado

Public Facilities Impact Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Capital Contributions and Fees	$ 1,334,700	$ 1,334,700	$ 2,295,272	$ 960,572
Investment Earnings	53,000	53,000	(2,903)	(55,903)
Total Revenues	1,387,700	1,387,700	2,292,369	904,669
EXPENDITURES				
Capital Outlay	-	88,600	68,034	20,566
Total Expenditures	-	88,600	68,034	20,566
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,387,700	1,299,100	2,224,335	925,235
Net Change in Fund Balance	$ 1,387,700	$ 1,299,100	2,224,335	$ 925,235
Fund Balance - Beginning			4,842,665	
Fund Balance - Ending			$ 7,067,000	

Town of Erie, Colorado

Storm Drainage Impact Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Capital Contributions and Fees	$ 944,400	$ 944,400	1,578,274	$ 633,874
Investment Earnings	46,000	46,000	(4,789)	(50,789)
Total Revenues	990,400	990,400	1,573,485	583,085
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	990,400	990,400	1,573,485	583,085
OTHER FINANCING USES				
Transfers Out	-	(2,702,900)	(2,406,404)	296,496
Total Other Financing Uses	-	(2,702,900)	(2,406,404)	296,496
Net Change in Fund Balance	$ 990,400	$ (1,712,500)	(832,919)	$ 879,581
Fund Balance - Beginning			6,334,792	

Town of Erie, Colorado

Tree Impact Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance

Budget and Actual

For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original	Final Budget	Actual	Positive (Negative)
REVENUES				
Capital Contributions and Fees	$ 180,000	$ 180,000	$ 325,200	$ 145,200
Investment Earnings	7,000	7,000	(497)	(7,497)
Total Revenues	187,000	187,000	324,703	137,703
EXPENDITURES				
Current Operating:				
Parks and Recreation	118,000	118,000	64,648	53,352
Capital Outlay	146,300	251,300	-	251,300
Total Expenditures	264,300	369,300	64,648	304,652
Excess (Deficiency) of Revenues Over (Under) Expenditures	(77,300)	(182,300)	260,055	442,355
Net Change in Fund Balance	$ (77,300)	$ (182,300)	260,055	$ 442,355
Fund Balance - Beginning			784,655	
Fund Balance - Ending			$ 1,044,710	

Town of Erie, Colorado
Transportation Impact Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Capital Contributions and Fees	$ 6,421,200	$ 6,281,200	$ 7,361,871	$ 1,080,671
Investment Earnings	77,000	77,000	(7,216)	(84,216)
Total Revenues	6,498,200	6,358,200	7,354,655	996,455
EXPENDITURES				
Capital Outlay	8,480,000	12,693,900	1,276,812	11,417,088
Total Expenditures	8,480,000	12,693,900	1,276,812	11,417,088
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,981,800)	(6,335,700)	6,077,843	12,413,543
OTHER FINANCING SOURCES				
Transfers In	-	-	47,813	47,813
Total Other Financing Sources	-	-	47,813	47,813
Net Change in Fund Balance	$ (1,981,800)	$ (6,335,700)	6,125,656	$ 12,461,356
Fund Balance - Beginning			12,776,889	
Fund Balance - Ending			$ 18,902,545	

Town of Erie, Colorado
Parks Improvement Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Capital Contributions and Fees	$ 3,433,400	$ 3,433,400	$ 3,842,191	$ 408,791
Investment Earnings	73,000	73,000	(7,600)	(80,600)
Total Revenues	3,506,400	3,506,400	3,834,591	328,191
EXPENDITURES				
Current Operating:				
Parks and Recreation	-	-	-	-
Capital Outlay	7,234,500	11,418,484	7,089,063	4,329,421
Total Expenditures	7,234,500	11,418,484	7,089,063	4,329,421
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,728,100)	(7,912,084)	(3,254,472)	4,657,612
OTHER FINANCING USES				
Transfers In	-	-	750,000	750,000
Total Other Financing Uses	-	-	750,000	750,000
Net Change in Fund Balance	$ (3,728,100)	$ (7,912,084)	(2,504,472)	$ 5,407,612
Fund Balance - Beginning			11,082,029	
Fund Balance - Ending			$ 8,577,557	

Town of Erie
Proprietary Funds

Statements of Revenues, Expenses, and Changes in Fund Net Position – Actual and Budget (Non-GAAP Budgetary Basis):

This section presents combining and budgetary comparisons for the following funds:

Water Fund

Wastewater Fund

Storm Drainage Operating Fund

Airport Fund

Town of Erie, Colorado
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2021

	Storm Drainage Operating Fund	Airport Fund	Total Enterprise Nonmajor Funds
ASSETS			
Current Assets			
Pooled Cash and Investments	$ 4,257,980	$ 160,751	$ 4,418,731
Receivables	221,646	981	222,627
Total Current Assets	4,479,626	161,732	4,641,358
Noncurrent Assets			
Capital Assets			
Construction in Progress	4,750,066	-	4,750,066
Land and Water Rights	63,705	592,295	656,000
Buildings, Property, and Equipment	41,418,746	6,905,426	48,324,172
Accumulated Depreciation	(7,639,643)	(3,580,457)	(11,220,100)
Total Capital Assets	38,592,874	3,917,264	42,510,138
Total Noncurrent Assets	38,592,874	3,917,264	42,510,138
Total Assets	43,072,500	4,078,996	47,151,496
LIABILITIES			
Current Liabilities			
Accounts Payable	167,782	-	167,782
Accrued Interest Payable	3,309	-	3,309
Wages Payable	5,257	-	5,257
Compensated Absences	7,672	-	7,672
Current Portion of Long Term Debt			
Loans Payable	13,811	-	13,811
Total Current Liabilities	197,831	-	197,831
Noncurrent Liabilities			
Compensated Absences	2,719	-	2,719
Long Term Debt, Net of Unamortized Premiums and Discounts			
Loans Payable	206,796	-	206,796
Total Noncurrent Liabilities	209,515	-	209,515
Total Liabilities	407,346	-	407,346
NET POSITION			
Net Investment in Capital Assets	38,206,616	3,917,264	42,123,880
Restricted			-
Operations and Maintenance Reserves	-	-	-
Unrestricted	4,458,538	161,732	4,620,270
Total Net Position	$ 42,665,154	$ 4,078,996	$ 46,744,150

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

Town of Erie, Colorado
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2021

	Storm Drainage Operating Fund	Airport Fund	Total Nonmajor Proprietary Funds
OPERATING REVENUES			
Charges for Services	$ 1,655,485	$ 4,938	$ 1,660,423
OPERATING EXPENSES			
Personnel Services	190,856	34	190,890
Operations and Maintenance	400,511	30,147	430,658
Depreciation	910,565	293,489	1,204,054
Total Operating Expenses	1,501,932	323,670	1,825,602
Net Operating Income (Loss)	153,553	(318,732)	(165,179)
NON-OPERATING REVENUES (EXPENSES)			
Investment Earnings	(4,369)	14	(4,355)
Other Non-Operating Income	-	84,432	84,432
Interest Expense	(4,480)	-	(4,480)
Total Non-Operating Revenues (Expenses)	(8,849)	84,446	75,597
Loss Before Transfers	144,704	(234,286)	(89,582)
Capital Contributions	1,743,033	-	1,743,033
Transfers In	2,406,404	201,200	2,607,604
Change in Net Position	4,294,141	(33,086)	4,261,055
Total Net Position - Beginning	38,371,013	4,112,082	42,483,095
Total Net Position - Ending	$ 42,665,154	$ 4,078,996	$ 46,744,150

Town of Erie, Colorado
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2021

	Storm Drainage Operating Fund	Airport Fund	Total Nonmajor Enterprise Funds
Cash Flows from Operating Activities			
Receipts from Customers and Users	$ 1,668,957	$ 89,721	$ 1,758,678
Payments to Employees	(192,990)	(270)	(193,260)
Payments to Suppliers	(257,376)	(30,287)	(287,663)
Net Cash Provided (Used) in Operating Activities	1,218,591	59,164	1,277,755
Cash Flows from Non-capital Financing Activities			
Transfer from Other Funds	2,406,404	201,200	2,607,604
Cash Flows Provided by/(Used in) Non-capital Financing Activities	2,406,404	201,200	2,607,604
Cash Flows from Capital and Related Financing Activities			
Receipts from Capital Grants	-	32,801	32,801
Acquisition and Construction of Capital Assets	(5,658,099)	(263,246)	(5,921,345)
Principal Paid on Capital Debt	(13,541)	-	(13,541)
Interest Paid on Capital Debt	(4,683)	-	(4,683)
Capital Contributions	1,743,033	-	1,743,033
Cash Flows Provided by (Used in) Capital and Related Financing Activities	(3,933,290)	(230,445)	(4,163,735)
Cash Flows from Investing Activities			
Earnings on Investments	(838)	18	(820)
Cash Flows Provided by Investing Activities	(838)	18	(820)
Net Decrease in Pooled Cash and Investments	(309,133)	29,937	(279,196)
Pooled Cash and Investments - January 1	4,567,113	130,814	4,697,927
Pooled Cash and Investments - December 31	$ 4,257,980	$ 160,751	$ 4,418,731
Reconciliation of Operating Loss to Net Cash Used in Operating Activities			
Operating Income (Loss)	$ 153,553	$ (318,732)	$ (165,179)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities			
Depreciation Expense	910,565	293,489	1,204,054
Other Income	-	84,254	84,254
Decrease in			
Accounts Receivable	13,472	530	14,002
Increase (Decrease) in			
Accounts Payable	143,135	(140)	142,995
Wages Payable	(1,389)	(237)	(1,626)
Compensated Absences Payable	(745)	-	(745)
Net Cash Provided (Used) In Operating Activities	$ 1,218,591	$ 59,164	$ 1,277,755
Noncash Investing, Capital, and Financing Activities			
Capital Assets Acquired through Contributions	$ 1,733,033	$ -	$ 1,733,033

Town of Erie, Colorado
Water Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Charges for Services	$ 10,918,000	$ 10,918,000	$ 12,325,727	$ 1,407,727
Capital Contributions and Fees	14,476,900	14,476,900	31,502,294	17,025,394
Intergovernmental	-	-	53,850	53,850
Investment Earnings	317,000	317,000	(43,489)	(360,489)
Miscellaneous	35,000	35,000	44,417	9,417
Total Revenues	25,746,900	25,746,900	43,882,799	18,135,899
EXPENDITURES				
Operating Expenditures				
Personnel Services	2,638,200	2,696,350	1,171,472	1,524,878
Operations and Maintenance	3,715,800	4,114,100	5,179,327	(1,065,227)
Capital Outlay	23,105,600	46,149,200	10,562,054	35,587,146
Debt Related Expenses				
Principal Payments	2,721,300	2,721,300	2,677,194	44,106
Interest Expense	2,562,000	2,562,000	1,662,885	899,115
Total Expenditures	34,742,900	58,242,950	21,252,932	36,990,018
OTHER FINANCING SOURCES				
Transfers In	-	-	178,797	178,797
Proceeds from Debt Issuance	288,500	288,500	139,800	(148,700)
Total Other Financing Sources	288,500	288,500	318,597	30,097
Change in Net Position, Budget Basis	$ (8,707,500)	$ (32,207,550)	22,948,464	$ 55,156,014
Reconciliation to GAAP Basis:				
Debt Proceeds			(139,800)	
Bond Principal Payments			2,677,194	
Debt Issuance Costs			23,674	
Change in Accrued Interest Payable			9,017	
Change in Compensated Absences Payable			65,704	
Capital Outlay			10,562,054	
Depreciation and Amortization			(3,911,356)	
Change in Net Position, GAAP Basis			32,234,951	
Total Net Position - Beginning			229,231,791	
Total Net Position - Ending			261,466,742	

Town of Erie, Colorado
Wastewater Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget
	Original Budget	Final Budget	Actual	Positive (Negative)
REVENUES				
Charges for Services	$ 6,053,000	$ 6,053,000	$ 6,067,831	$ 14,831
Capital Contributions and Fees	4,367,000	4,367,000	9,596,446	5,229,446
Intergovernmental	-	-	-	-
Investment Earnings	27,000	27,000	(22,586)	(49,586)
Miscellaneous	33,800	33,800	4,965	(28,835)
Total Revenues	10,480,800	10,480,800	15,646,656	5,165,856
EXPENDITURES				
Operating Expenditures				
Personnel Services	2,144,200	2,138,750	596,071	1,542,679
Operations and Maintenance	1,417,900	1,514,400	2,229,186	(714,786)
Capital Outlay	5,522,000	28,665,500	16,280,680	12,384,820
Debt Related Expenses				
Principal Payments	716,400	716,400	698,715	17,685
Interest Expense	617,100	617,100	615,960	1,140
Total Expenditures	10,417,600	33,652,150	20,420,612	13,231,538
OTHER FINANCING SOURCES				
Proceeds from Debt Issuance	52,000	52,000	-	(52,000)
Total Other Financing Sources	52,000	52,000	-	(52,000)
Change in Net Position, Budget Basis	$ 115,200	$ (23,119,350)	(4,773,956)	$ 18,345,394
Reconciliation to GAAP Basis:				
Debt Issuance Costs			(10,079)	
Principal Payments			698,715	
Change in Accrued Interest Payable			1,533	
Change in Compensated Absences Payable			70,910	
Capital Outlay			16,280,680	
Depreciation and Amortization			(1,993,448)	
Change in Net Position, GAAP Basis			10,274,355	
Total Net Position - Beginning			73,147,437	
Total Net Position - Ending			$ 83,421,792	

Town of Erie, Colorado
Storm Drainage Operating Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	$ 1,668,000	$ 1,668,000	$ 1,655,485	$ (12,515)
Capital Contributions and Fees	-	-	1,743,033	1,743,033
Investment Earnings	21,000	21,000	(4,369)	(25,369)
Total Revenues	1,689,000	1,689,000	3,394,149	1,705,149
EXPENDITURES				
Operating Expenditures				
Personnel Services	246,500	250,575	192,382	58,193
Operations and Maintenance	222,500	222,500	400,511	(178,011)
Capital Outlay	815,900	5,477,800	3,925,066	1,552,734
Debt Related Expenses				
Principal Payments	35,800	35,800	13,541	22,259
Interest Expense	6,200	6,200	4,683	1,517
Total Expenditures	1,326,900	5,992,875	4,536,183	1,456,692
OTHER FINANCING SOURCES				
Transfers In	61,000	2,763,900	2,406,404	(357,496)
Total Other Financing Sources	61,000	2,763,900	2,406,404	(357,496)
Change in Net Position, Budget Basis	$ 423,100	$ (1,539,975)	1,264,370	$ 2,804,345
Reconciliation to GAAP Basis:				
Principal Payments			13,541	
Change in Accrued Interest Payable			203	
Change in Compensated Absences Payable			1,526	
Capital Outlay			3,925,066	
Depreciation and Amortization			(910,565)	
Change in Net Position, GAAP Basis			4,294,141	
Total Net Position - Beginning			38,371,013	
Total Net Position - Ending			$ 42,665,154	

Town of Erie, Colorado
Airport Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2021

	Budgeted Amounts			Variance With Final Budget Positive
	Original Budget	Final Budget	Actual	(Negative)
REVENUES				
Charges for Services	$ 5,500	$ 5,500	$ 4,938	$ (562)
Intergovernmental	184,000	214,200	-	(214,200)
Investment Earnings	1,000	1,000	14	(986)
Miscellaneous	44,000	44,000	84,432	40,432
Total Revenues	234,500	264,700	89,384	(175,316)
EXPENDITURES				
Operating Expenditures				
Personnel Services	8,700	8,700	34	8,666
Operations and Maintenance	38,000	38,000	30,147	7,853
Capital Outlay	193,700	223,600	225,915	(2,315)
Total Expenditures	240,400	270,300	256,096	14,204
OTHER FINANCING SOURCES				
Transfers In	-	-	201,200	201,200
Total Other Financing Sources	-	-	201,200	201,200
Change in Net Position, Budget Basis	$ (5,900)	$ (5,600)	34,488	$ 40,088
Reconciliation to GAAP Basis:				
Capital Outlay			225,915	
Depreciation and Amortization			(293,489)	
Change in Net Position, GAAP Basis			(33,086)	
Total Net Position - Beginning			4,112,082	
Total Net Position - Ending			$ 4,078,996	

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Statistical Section

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This part of the Town of Erie's 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 government's overall financial health.

Contents **Page**

Financial Trends 109

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity 113

These schedules contain trend information to help the reader assess the Town's most significant local revenue sources, property, and sales taxes.

Debt Capacity 121

These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Demographic and Economic Information 127

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information 129

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services that the Town provides and activities it performs.

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Town of Erie
Net Position by Component
Last Ten Years
(accrual basis of accounting)

	2012	2013 [1]	2014	2015 [2]	2016	2017	2018	2019	2020	2021
Governmental Activities										
Net Investment in Capital Assets	$ 74,135,764	$ 77,940,386	$ 81,995,267	$ 83,754,661	$ 91,829,234	$ 104,366,825	$ 122,702,339	$ 144,757,342	$ 153,586,231	$ 164,363,793
Restricted	19,194,615	19,769,068	18,521,700	21,372,046	20,657,054	26,561,257	32,617,869	32,768,998	46,605,118	61,250,141
Unrestricted	10,221,089	7,505,621	7,907,992	7,096,865	9,812,424	16,619,107	18,012,077	27,144,985	34,479,339	39,515,991
Total Governmental Activities Net Position	$ 103,551,468	$ 105,215,075	$ 108,424,959	$ 112,223,572	$ 122,298,712	$ 147,547,189	$ 173,332,285	$ 204,671,325	$ 234,670,688	$ 265,129,925
Business-type Activities										
Net Investment in Capital Assets	$ 131,076,105	$ 138,601,037	$ 144,136,677	$ 138,280,725	$ 161,759,392	$ 190,333,252	$ 199,949,037	$ 223,256,751	$ 244,297,057	$ 277,608,597
Restricted	7,195,376	1,699,317	1,960,235	1,982,998	1,183,031	786,000	824,000	856,000	878,650	794,198
Unrestricted	19,982,088	22,531,638	22,935,815	31,991,085	45,517,350	46,221,528	70,305,325	91,797,796	99,686,616	113,229,889
Total Business-type Activities Net Position	$ 158,253,569	$ 162,831,992	$ 169,032,727	$ 172,254,808	$ 208,459,773	$ 237,340,780	$ 271,078,362	$ 315,910,547	$ 344,862,323	$ 391,632,684
Primary Government										
Net Investment in Capital Assets	$ 205,211,869	$ 216,541,423	$ 226,131,944	$ 222,035,386	$ 253,588,626	$ 294,700,077	$ 322,651,376	$ 368,014,093	$ 397,883,288	$ 441,972,389
Restricted	26,389,991	21,468,385	20,481,935	23,355,044	21,840,085	27,347,257	33,441,869	33,624,998	47,483,768	62,044,339
Unrestricted	30,203,177	30,037,259	30,843,807	39,087,950	55,329,774	62,840,635	88,317,402	118,942,781	134,165,955	152,745,880
Total Primary Government Net Position	$ 261,805,037	$ 268,047,067	$ 277,457,686	$ 284,478,380	$ 330,758,485	$ 384,887,969	$ 444,410,647	$ 520,581,872	$ 579,533,011	$ 656,762,609

Source: Town of Erie Finance Department

[1] In 2013 the Town implemented GASB 65, which provides for the expensing of debt issuance costs. Prior year amounts were not restated.

[2] In 2015 the Town implemented GASB 68, which provides for the recognition of certain pension-related amounts. Prior year amounts were not restated.

Town of Erie
Changes in Net Position
Last Ten Years
(accrual basis of accounting)

	2012	2013 (1)	2014	2015 (2)	2016	2017	2018	2019	2020	2021
Expenses										
Governmental Activities:										
General Government	$ 2,315,020	$ 3,424,886	$ 4,173,232	$ 6,364,236	$ 3,624,195	$ 4,601,379	$ 6,372,190	$ 10,886,195	$ 10,512,723	$ 8,351,209
Public Safety	2,392,865	2,562,909	2,810,944	3,065,695	3,564,444	3,911,466	4,125,915	5,322,831	5,599,006	$ 6,994,602
Public Works	3,283,741	5,365,419	5,607,191	4,611,400	5,129,083	5,566,858	5,912,042	7,054,349	3,362,722	$ 8,088,311
Parks & Recreation	6,214,564	4,528,156	4,591,031	6,248,337	6,478,449	7,106,468	7,658,937	8,619,341	6,261,294	$ 9,293,615
Interest on Long-Term Debt	780,479	649,304	681,174	720,371	657,411	604,011	547,591	491,020	346,189	$ 422,809
Total Governmental Activities Expenses	14,986,669	16,530,674	17,863,572	21,010,039	19,453,582	21,790,182	24,616,675	32,373,736	26,081,934	33,150,546
Business-type Activities:										
Water	7,666,733	8,176,581	8,988,723	10,865,948	9,605,720	9,263,291	10,127,032	10,552,481	12,299,401	11,826,645
Wastewater	4,538,293	4,676,937	4,980,408	10,553,917	4,886,037	5,001,576	5,405,865	5,789,508	6,044,230	5,372,301
Storm Drainage	418,621	447,151	412,940	664,028	932,686	809,794	1,075,170	1,235,057	2,111,400	1,506,412
Airport	299,977	445,648	263,355	337,969	307,283	668,087	289,865	313,934	358,135	323,670
Housing Authority	107,136	111,463	119,300	112,370	116,252	335,939	-	-	-	-
Total Business-type Activities Expenses	13,030,760	13,857,780	14,764,726	22,534,232	15,847,978	16,078,687	16,897,932	17,890,980	20,813,166	19,029,028
Total Primary Government Expenses	$ 28,017,429	$ 30,388,454	$ 32,628,298	$ 43,544,271	$ 35,301,560	$ 37,868,869	$ 41,514,607	$ 50,264,716	$ 46,895,100	$ 52,179,574
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	$ 619,763	$ 1,028,882	$ 1,199,010	$ 1,607,509	$ 1,952,378	$ 2,169,570	$ 3,561,877	$ 2,683,426	$ 2,235,795	$ 3,227,872
Public Safety	176,375	246,843	249,004	219,581	299,055	268,853	275,835	364,421	251,347	$ 240,420
Public Works	1,259,149	1,808,015	2,021,365	2,164,559	2,411,375	3,178,241	2,720,956	2,871,912	2,704,752	$ 3,544,739
Parks and Recreation	1,723,388	1,874,591	1,935,127	2,013,213	2,018,464	2,089,718	2,199,954	2,263,602	1,547,175	$ 1,852,950
Operating Grants and Contributions	1,002,109	1,020,806	1,095,717	1,127,940	1,198,439	1,249,172	1,489,061	1,642,223	2,789,977	2,040,396
Capital Grants and Contributions	1,670,546	2,153,798	3,188,496	4,455,967	9,605,770	22,013,219	16,667,704	27,251,399	15,376,327	20,550,338
Total Governmental Activities Program Revenues	6,451,330	8,132,935	9,688,719	11,588,769	17,485,481	30,968,773	26,915,387	37,076,983	24,905,373	31,456,715
Business-type Activities:										
Charges for Services										
Water	7,104,638	6,393,236	6,514,590	7,131,476	8,278,284	9,044,664	10,251,306	10,429,799	12,654,777	12,325,727
Wastewater	3,535,547	4,141,562	4,267,375	4,143,696	4,320,614	4,439,911	5,096,131	5,486,900	5,806,390	6,067,831
Storm Drainage	401,146	411,862	427,761	514,714	660,450	795,580	1,146,469	1,513,384	1,611,680	1,655,485
Other Activities	98,477	86,138	82,478	85,794	89,736	21,928	8,475	10,027	5,690	4,938
Operating Grants and Contributions	73,455	66,438	54,829	74,100	20,190	346,239	14,644	15,000	80,642	53,850
Capital Grants and Contributions	4,276,591	7,673,635	9,196,375	13,603,985	24,893,959	28,156,435	32,299,315	42,523,477	28,341,075	42,841,773
Total Business-type Activities Program Revenues	15,489,854	18,772,871	20,543,408	25,553,765	38,263,233	42,804,757	48,816,340	59,978,587	48,500,254	62,949,604
Total Primary Government Program Revenues	$ 21,941,184	$ 26,905,806	$ 30,232,127	$ 37,142,534	$ 55,748,714	$ 73,773,530	$ 75,731,727	$ 97,055,570	$ 73,405,627	$ 94,406,319
Net (Expense) Revenue										
Governmental Activities	$ (8,535,339)	$ (8,397,739)	$ (8,174,853)	$ (9,421,270)	$ (1,968,101)	$ 9,178,591	$ 2,298,712	$ 4,703,247	$ (1,176,561)	$ (1,693,831)
Business-type Activities	2,459,094	4,915,091	5,778,682	3,019,533	22,415,255	26,726,070	31,918,408	42,087,607	27,687,088	43,920,576
Total Primary Government Net (Expense) Revenue	$ (6,076,245)	$ (3,482,648)	$ (2,396,171)	$ (6,401,737)	$ 20,447,154	$ 35,904,661	$ 34,217,120	$ 46,790,854	$ 26,510,527	$ 42,226,745
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes	$ 8,955,918	$ 9,817,296	$ 10,622,469	$ 12,075,737	$ 14,336,443	$ 18,033,869	$ 21,047,896	$ 23,751,202	$ 28,270,838	$ 33,628,011
Intergovernmental - Unrestricted	107,617	103,540	207,505	249,784	91,578	78,323	128,227	291,898	-	-
Investment Earnings	182,476	102,215	169,030	127,840	201,007	376,733	925,222	1,411,789	817,090	(47,759)
Other Miscellaneous	423,901	212,691	613,890	379,013	403,763	258,643	1,293,000	1,180,904	2,087,996	1,359,217
Transfers In/Out	(20,087)	(18,137)	(228,157)	(9,349)	(33,719)	(3,207,559)	-	-	-	(2,786,401)
Total Governmental Activities	9,649,825	10,217,605	11,384,737	12,823,025	14,999,072	15,540,009	23,394,345	26,635,793	31,175,924	32,153,068
Business-type Activities:										
Investment Earnings	122,303	82,977	132,694	127,247	252,507	477,847	1,131,438	2,080,168	1,201,192	(70,430)
Other Miscellaneous	49,538	376,272	61,202	65,952	121,267	176,374	132,472	664,410	63,496	133,814
Transfers In/Out	20,087	18,137	228,157	9,349	33,719	3,207,559	-	-	-	2,786,401
Total Business-type Activities	191,928	477,386	422,053	202,548	407,493	3,861,780	1,263,910	2,744,578	1,264,688	2,849,785
Total Primary Government General Revenue and Other Changes in Net Position	$ 9,841,753	$ 10,694,991	$ 11,806,790	$ 13,025,573	$ 15,406,565	$ 19,401,789	$ 24,658,255	$ 29,380,371	$ 32,440,612	$ 35,002,853
Changes in Net Position										
Governmental Activities	$ 1,114,486	$ 1,819,866	$ 3,209,884	$ 3,401,755	$ 13,030,971	$ 24,718,600	$ 25,693,057	$ 31,339,040	$ 29,999,363	$ 30,459,237
Business-type Activities	2,651,022	5,392,477	6,200,735	3,222,081	22,822,748	30,587,850	33,182,318	44,832,185	28,951,776	46,770,361
Total Primary Government Changes in Net Position	$ 3,765,508	$ 7,212,343	$ 9,410,619	$ 6,623,836	$ 35,853,719	$ 55,306,450	$ 58,875,375	$ 76,171,225	$ 58,951,139	$ 77,229,598

Sc Town of Erie Finance Department
(1) In 2013 the Town implemented GASB 65, which provides for the expensing of debt issuance costs. Prior year amounts were not restated.
(2) In 2015 the Town implemented GASB 68, which provides for the recognition of certain pension-related amounts. Prior year amounts were not restated.

Town of Erie
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	$ 1,477,677	$ 4,030,672	$ 4,596,194	$ 5,202,240	$ 5,563,854	$ 5,654,209	$ 5,978,897	$ 3,947,450	$ 3,953,617	$ 1,546,198
Restricted/Reserved	5,009,870	2,286,494	7,177,572	4,789,674	4,894,278	4,854,795	4,015,815	4,090,611	3,854,025	3,387,859
Assigned	1,462,004	1,118,949	131,230	41,842	250,058	230,835	253,913	1,428,579	919,618	2,587,676
Unassigned/Unreserved	8,619,655	6,784,338	7,895,100	6,875,429	9,824,378	16,020,667	17,436,060	20,670,166	29,013,058	40,190,862
Total General Fund	$ 16,569,206	$ 14,220,453	$ 19,800,096	$ 16,909,185	$ 20,532,568	$ 26,760,506	$ 27,684,685	$ 30,136,806	$ 37,740,318	$ 47,712,595
All Other Governmental Funds										
Restricted/Reserved	$ 14,184,745	$ 17,482,574	$ 16,173,493	$ 16,582,372	$ 15,199,524	$ 21,172,707	$ 28,110,032	$ 28,678,387	$ 42,539,370	$ 57,029,714
Committed	143,579	17,987	151,996	130,154	141,528	172,047	204,434	236,823	259,622	277,235
Unassigned/Unreserved	(1,255,208)	(4,065,293)	(4,408,588)	(5,012,977)	(5,382,532)	(5,656,411)	(6,009,697)	(4,255,864)	(574,264)	(1,523,852)
Total of All Other Governmental Funds	$ 13,073,116	$ 13,435,268	$ 11,916,901	$ 11,699,549	$ 9,958,520	$ 15,688,343	$ 22,304,769	$ 24,659,346	$ 42,224,728	$ 55,783,097

Source: Town of Erie Finance Department
[(1)]In 2011 the Town implemented GASB 54 to reflect the new classifications of fund balance. Prior year amounts were not restated.

Town of Erie

Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	$ 8,955,918	$ 9,817,296	$ 10,622,469	$ 12,075,737	$ 14,336,443	$ 18,033,869	$ 21,047,896	$ 23,751,202	$ 28,270,838	$ 33,628,011
Intergovernmental	1,109,725	1,124,346	1,465,446	1,647,060	1,540,723	1,542,503	1,639,812	1,934,122	2,809,865	2,567,529
Licenses and Permits	723,393	1,308,271	1,534,533	1,855,274	2,209,044	2,837,483	3,699,178	2,849,759	2,674,326	4,211,015
Charges for Services	2,878,907	3,403,217	3,620,969	3,930,007	4,173,172	4,600,046	4,783,608	4,969,182	3,270,758	4,437,492
Fines and Forfeitures	176,375	246,843	249,004	219,581	299,055	268,853	275,835	364,421	251,347	240,420
Capital Contributions and Fees	1,670,547	2,153,798	2,604,363	4,331,583	4,432,454	8,943,896	9,377,666	9,852,885	17,070,945	16,795,257
Investment Earnings	182,476	102,215	169,030	127,840	201,007	376,732	925,222	1,411,789	817,090	(46,726)
Miscellaneous	374,370	232,919	203,135	315,850	303,042	555,948	769,663	577,803	907,633	1,048,686
Total Revenues	16,071,711	18,388,905	20,468,949	24,502,932	27,494,940	37,159,330	42,518,880	45,711,163	56,072,802	62,881,684
Expenditures										
General Government	2,145,500	2,782,286	2,935,090	6,161,828	3,380,139	4,632,833	6,007,314	6,917,391	7,427,255	7,662,750
Public Safety	2,323,677	2,440,001	2,699,615	2,977,558	3,244,415	3,482,081	4,041,846	5,029,328	5,599,006	6,508,152
Public Works	1,833,074	3,790,678	3,973,497	2,793,781	2,980,586	2,991,570	3,028,797	3,429,778	3,234,109	4,309,441
Parks & Recreation	4,928,772	3,028,137	3,059,582	4,550,832	4,851,857	5,152,725	5,385,752	6,151,623	6,136,766	7,268,714
Capital Outlay	4,813,537	6,319,547	8,511,674	9,255,862	9,299,339	4,504,128	15,251,967	17,267,957	8,122,463	13,793,968
Debt Service										
Principal	950,000	1,800,062	1,125,320	1,177,108	1,225,393	1,281,999	1,302,230	964,080	1,000,000	1,025,000
Interest	782,756	673,681	683,515	748,037	697,864	645,055	588,833	531,867	494,563	489,216
Bond Issuance Costs	-	123,357	110,693	-	-	-	-	-	-	158,470
Total Expenditures	17,777,316	20,957,749	23,098,986	27,665,006	25,679,593	22,690,391	35,606,739	40,292,024	32,014,162	41,215,711
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(1,705,605)	(2,568,844)	(2,630,037)	(3,162,074)	1,815,347	14,468,939	6,912,141	5,419,139	24,058,640	21,665,973
Other Financing Sources (Uses)										
Transfers In	457,800	4,965,891	1,803,700	2,390,626	657,893	328,700	350,064	3,015,000	-	1,263,303
Transfers Out	(477,887)	(4,984,028)	(2,031,857)	(2,399,975)	(691,612)	(3,536,259)	(350,064)	(4,265,000)	-	(4,383,063)
Debt Proceeds (inc. capital leases)	695,000	9,985,460	6,508,716	-	-	-	-	34,462	-	4,018,000
Payment for Refunded Bonds	-	(9,571,113)	-	-	-	-	-	-	-	-
Proceeds from Sale of Capital Assets	3,085	14,523	7,380	42,014	28,305	105,000	352,091	49,404	1,089,359	1,083,872
Insurance Recoveries & Related	46,446	171,510	33,374	21,146	72,421	33,333	139,187	77,193	20,895	12,918
Proceeds from Litigation Settlements	-	-	370,000	-	-	-	45,147	476,500	-	-
Total Other Financing Sources (Uses)	724,444	582,243	6,691,313	53,811	67,007	(3,069,226)	536,425	(612,441)	1,110,254	1,995,030
Net Changes in Fund Balance	$ (981,161)	$ (1,986,601)	$ 4,061,276	$ (3,108,263)	$ 1,882,354	$ 11,399,713	$ 7,448,566	$ 4,806,698	$ 25,168,894	$ 23,661,003
Debt Service as a Percentage of										
Noncapital Expenditures	15.43%	20.34%	14.16%	11.68%	13.30%	11.85%	10.24%	6.95%	6.67%	5.84%

Source: Town of Erie Finance Department

Town of Erie
General Governmental Tax Revenues By Source
Last Ten Fiscal Years

Year		Property Tax	Sales Tax	Use Tax	Franchise Fees	Specific Ownership Tax	Total
2012		3,962,431	3,318,242	778,195	638,792	258,258	8,955,918
2013		3,977,786	3,616,019	1,298,138	685,918	239,435	9,817,296
2014		3,993,379	4,027,197	1,606,448	708,894	286,551	10,622,469
2015	(1)	4,316,592	4,457,099	2,305,363	717,589	279,094	12,075,737
2016		5,019,474	5,501,497	2,799,247	749,480	266,745	14,336,443
2017		5,403,174	8,577,175	2,912,918	815,245	325,357	18,033,869
2018		6,337,412	10,014,132	3,475,026	861,850	359,476	21,047,896
2019		7,318,677	11,316,593	3,804,826	929,733	381,373	23,751,202
2020		11,005,008	14,325,821	2,809,036	954,990	359,543	29,454,398
2021		9,649,826	17,397,657	5,155,049	1,047,336	378,143	33,628,011

Source: Town of Erie Finance Department

(1) In April 2014, voters approved a mill levy increase to construct the Public Safety Building This change, which went into effect in 2015, added 0.878 mills to the Town's levy. For 2021 the levy was .420 mills.

Town of Erie
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Year(1)	Residential Property	Commercial Property	Vacant Land	Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
2012	73,860,728	7,251,830	4,783,897	18,565,810	4,999,658	99,462,607	993,982,165
2013	75,143,537	7,367,407	3,721,512	15,228,537	5,170,320	96,290,673	1,003,587,145
2014	74,154,873	7,686,083	5,744,842	14,205,385	5,079,776	96,711,407	998,823,627
2015	77,114,109	7,766,827	6,742,267	15,712,692	5,103,216	102,232,679	1,041,775,470
2016	97,235,515	9,220,302	13,490,705	13,883,022	5,097,508	128,732,036	1,321,949,675
2017	104,059,150	9,165,292	11,683,177	11,435,241	5,323,021	131,019,839	1,398,000,738
2018	115,094,833	10,156,615	18,400,076	12,400,193	5,531,996	150,519,721	1,718,471,789
2019	124,435,480	10,233,474	21,345,831	17,825,107	9,991,034	163,848,858	1,859,592,069
2020	145,487,054	10,500,582	13,000,560	19,485,057	11,301,389	177,171,864	2,142,183,152
2021	157,894,830	10,191,927	8,464,834	20,037,054	11,557,060	185,031,585	2,301,244,980

Weld County

Year(1)	Residential Property	Commercial Property	Vacant Land	Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
2012	85,755,600	17,973,430	3,804,960	33,924,800	8,585,400	132,873,390	1,190,322,109
2013	87,078,530	17,404,680	3,815,130	48,243,410	18,250,220	138,291,530	1,213,972,885
2014	91,188,060	18,957,690	4,523,580	48,319,546	18,605,790	144,383,086	1,272,092,511
2015	93,755,970	18,416,740	4,236,270	45,016,450	18,783,500	142,641,930	1,299,657,997
2016	111,653,120	19,459,280	4,527,990	47,749,940	22,414,960	160,975,370	1,532,172,186
2017	114,999,210	20,798,020	4,142,940	36,049,340	22,921,780	153,067,730	1,564,789,993
2018	130,164,270	29,902,290	5,512,400	38,221,720	23,990,010	179,810,670	1,969,952,922
2019	134,773,700	32,511,630	7,941,930	80,171,320	27,254,860	228,143,720	2,096,626,349
2020	155,698,557	46,363,400	11,315,580	171,617,860	35,369,280	349,626,117	2,566,839,330
2021	168,252,811	48,656,690	7,215,250	143,087,350	38,982,460	328,229,641	2,704,195,863

Boulder County and Weld County

Year(1)	Grand Total Assessed Taxable Value	Grand Total Actual Taxable Value	Assessed Value as a Percentage of Actual Value	Total Direct Tax Rate
2012	232,335,997	2,184,304,274	10.64%	17.146
2013	234,582,203	2,217,560,030	10.58%	17.095
2014	241,094,493	2,270,916,138	10.62%	16.567
2015	244,874,609	2,341,433,467	10.46%	17.364
2016	289,707,406	2,854,121,861	10.15%	16.419
2017	284,087,569	2,962,790,731	9.59%	16.548
2018	330,330,391	3,688,424,711	8.96%	15.800
2019	391,992,578	3,956,218,418	9.91%	15.090
2020	526,797,981	4,709,022,482	11.19%	14.122
2021	513,261,226	5,005,440,843	10.25%	14.187

Sources: Boulder County Assessor's Office
Weld County Assessor's Office

(1)Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2021 will be collected in the 2022 calendar year.

Town of Erie
Principal Property Taxpayers
December 31

	Boulder County					
	2021			2012		
Taxpayer	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Public Service CO of Colorado - Xcel	$ 4,690,061	1	2.53 %	$ -		- %
Calatlantic Group INC	2,593,180	2	1.40	-		-
Arapahoe Ridge Property LLC	2,580,616	3	1.39	-		-
JMJC Eleven LLC	2,208,064	4	1.19	-		-
HT Flatiron LP	1,341,110	5	0.72	-		-
William Lyon Homes INC	1,099,331	6	0.59	-		-
Toll CO LP	962,685	7	0.52	-		-
Westpac Realty Fund II LLC	898,086	8	0.49	-		-
Crestone Peak Resources LP	896,390	9	0.48	-		-
Oliver Richard E & Deborah L	664,476	10	0.36	-		-
Encana Oil & Gas (USA) Inc			-	3,077,842	1	3.09
Public Service CO of Colorado - Xcel			-	3,064,586	2	3.08
Nobel Energy Production Inc			-	2,691,729	3	2.71
Arapahoe Ridge Retail Center LLC			-	2,504,092	4	2.52
Muhr Partnership Three			-	1,070,040	5	1.08
Westpac Realty Fund II LLC			-	869,043	6	0.87
Tousa Recovery Acquisition LLC			-	823,872	7	0.83
Boulder Valley Investment LLC			-	583,635	8	0.59
Alande Company			-	510,023	9	0.51
Richard E & Deborah L Oliver			-	502,991	10	0.51
	$ 17,933,999		9.69 %	$ 15,697,853		15.78 %

	Weld County					
	2021			2012		
Taxpayer	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Cresone Peak Resources LLC	$ 33,153,080	1	8.91 %	$ -		- %
Dillon Companies Inc	4,655,950	2	1.25	-		-
Public Service CO of Colorado (Xcel)	3,695,090	3	0.99	-		-
Kerr McGee Gathering LLC	3,304,310	4	0.89	-		-
Park Homes LLC	3,250,250	5	0.87	-		-
Front Range Landfill 5305	2,094,360	6	0.56	-		-
United Power Inc	1,990,100	7	0.54	-		-
NSA Property Holdings LLC	1,921,830	8	0.52	-		-
Gemini Extraction	1,525,320	9	0.41	-		-
Richmond American Homes of Colorado Inc	1,302,470	10	0.35	-		-
Encana Oil & Gas (USA) Inc				12,537,810	1	9.44
Kerr-McGee Oil & Gas Onshore LP				6,930,020	2	5.22
Synergy Resources Corporation				2,923,660	3	2.20
Noble Energy Production Inc				2,612,390	4	1.97
Erie Commons Commercial Partners LLC				1,185,150	5	0.89
Public Service CO of Colorado (Xcel)				1,098,360	6	0.83
Colorado National Golf Club LLC				1,075,500	7	0.81
Waste Connections Inc				1,014,620	8	0.76
Kassity-Lowell Erie LLC				743,800	9	0.56
Kerr-McGee Gathering LLC				643,570	10	0.48
	$ 56,892,760		15.29 %	$ 30,764,880		23.15 %

Sources: Boulder County Assessor's Office
Weld County Assessor's Office

Town of Erie
Property Tax Levy from Direct and Overlapping Governments
Last Ten Years

Boulder County

Year	Town of Erie: General Operating	General Obligation Bonds	Trails & Natural Areas	**Total Direct**	Boulder County	St. Vrain Valley School District	Boulder Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District	Urban Drainage & Flood District	High Plains Library	Metro Districts [2]	*(Range)* Total
Rates (In mills)[1]													
2012	7.288	5.858	4.000	17.146	24.645	47.614	44.843	11.747	1.000	0.566	3.271	-	103.218 - 155.989
2013	7.288	5.807	4.000	17.095	24.645	53.500	45.547	11.747	1.000	0.599	3.261	50.000	103.894 - 161.847
2014	7.288	5.279	4.000	16.567	25.120	53.679	45.372	11.747	1.000	0.608	3.264	50.000	103.678 - 161.985
2015	7.288	6.076	4.000	17.364	24.794	53.673	47.569	11.747	1.000	0.632	3.267	50.000	106.373 - 162.477
2016	7.288	5.131	4.000	16.419	22.624	53.887	45.814	11.747	1.000	0.553	3.308	50.000	101.465 - 159.538
2017	7.288	5.260	4.000	16.548	24.064	56.945	48.961	11.747	1.000	0.559	3.271	50.000	106.150 - 164.134
2018	7.288	4.512	4.000	15.800	22.726	56.394	47.780	11.747	1.000	0.500	3.256	5.000-55.277	102.809 - 166.700
2019	7.288	3.802	4.000	15.090	24.026	56.385	48.967	16.247	1.000	0.726	3.252	0.000 - 55.277	109.308 - 172.003
2020	7.288	2.834	4.000	14.122	23.473	57.559	48.359	16.247	1.000	0.900	3.217	0.000 - 55.666	107.318 - 172.184
2021	7.288	2.899	4.000	14.187	24.771	56.542	48.393	16.247	1.000	0.900	3.181	0.000 - 55.664	108.679 - 172.492

Weld County

Year	Town of Erie: General Operating	General Obligation Bonds	Trails & Natural Areas	**Total Direct**	Weld County	St. Vrain Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District	High Plains Library	Metro Districts [3]	*(Range)* Total
Rates (In mills)[1]											
2012	7.288	5.858	4.000	17.146	16.804	47.614	11.747	1.000	3.271	20.000 - 57.827	97.582 - 155.409
2013	7.288	5.807	4.000	17.095	16.804	53.500	11.747	1.000	3.261	20.000 - 57.827	103.407 - 161.234
2014	7.288	5.279	4.000	16.567	16.804	53.679	11.747	1.000	3.264	20.000 - 57.827	103.061 - 160.888
2015	7.288	6.076	4.000	17.364	16.804	53.673	11.747	1.000	3.267	10.000 - 70.000	103.855 - 173.855
2016	7.288	5.131	4.000	16.419	15.800	53.887	11.747	1.000	3.308	10.000 - 70.000	102.161 - 172.161
2017	7.288	5.260	4.000	16.548	15.800	56.945	11.747	1.000	3.271	10.000 - 70.000	105.311 - 175.311
2018	7.288	4.512	4.000	15.800	15.800	56.394	11.747	1.000	3.256	15.000 - 77.388	103.997 - 181.385
2019	7.288	3.802	4.000	15.090	15.038	56.385	16.247	1.000	3.252	15.000 - 77.928	107.012 - 184.94
2020	7.288	2.834	4.000	14.122	15.038	57.559	16.247	1.000	3.217	15.000 - 77.928	107.183 - 185.111
2021	7.288	2.899	4.000	14.187	15.038	57.559	16.247	1.000	3.217	15.000 - 77.928	107.248 - 185.176

Source: Boulder County Assessor's Office
Weld County Assessor's Office

[1] One mill generates $1 of property tax revenue per $1,000 of assessed valuation. Taxes for the year assessed are collected in the following year. For example: Taxes assessed for 2021 will be collected in the 2022 calendar year.

[2] Includes the following metro districts: Erie Farm, Flatiron Meadows, Four Corners, and Rex Ranch.

[3] Includes the following metro districts: 232 Metro, Colliers Hill #'s 1-3; Erie Commons #'s 1-3; Erie Corporate Center #'s 1-3;

Town of Erie
Property Tax Levies and Collections
Last Ten Years

Collection Year		Total Tax Levy [1][2]		Total Tax Collections [2]	Collections As a Percent of Tax Levy
2012		3,983,633	$	3,962,431	99.47
2013		4,010,183	$	3,987,059	99.42
2014		3,994,213	$	3,993,379	99.98
2015	[3]	4,252,002	$	4,254,354	100.06
2016		4,756,706	$	4,757,945	100.03
2017		4,701,081	$	4,669,385	99.33
2018		5,219,221	$	5,220,932	100.03
2019		5,915,166	$	5,802,149	98.09
2020		7,439,440	$	7,408,094	99.58
2021		7,281,636	$	7,320,025	100.53

Sources: Boulder County Assessor's Office
Weld County Assessor's Office

[1] Taxes for the year assessed are collected in the following year.
For example: Taxes assessed for 2021 will be collected in the 2022 calendar year.

[2] Excludes property taxes received by the Town of Erie Urban Renewal Authority.

[3] In April 2014, voters approved a mill levy increase to construct the Public Safety Building. It went into effect in 2015, when the levy was 0.878 mills. In 2021 the levy was 0.420 mills.

Town of Erie
Sales and Use Tax Revenue by Type
Last Ten Years

Year	General	Vehicle	Use Tax [1]	Total Sales and Use Tax	Total Direct Tax Rate
2012	1,967,717	1,350,525	778,195	4,096,437	3.50
2013	2,070,627	1,545,392	1,298,138	4,914,157	3.50
2014	2,251,151	1,776,046	1,606,448	5,633,645	3.50
2015	2,577,761	1,879,338	2,305,363	6,762,462	3.50
2016	3,477,116	2,024,381	2,799,247	8,300,744	3.50
2017	6,227,906	2,349,269	2,912,918	11,490,093	3.50
2018	7,557,622	2,456,510	3,475,026	13,489,158	3.50
2019	8,631,808	2,684,785	3,804,826	15,121,419	3.50
2020	11,387,041	2,938,780	2,809,036	17,134,857	3.50
2021	13,901,108	3,496,549	5,155,049	22,552,706	3.50

Sources: Boulder County Treasurer's Office
Weld County Treasurer's Office
Colorado Department of Revenue
Town of Erie Finance Department

(1) Primarily represents taxes assessed on building materials associated with construction activity.

Town of Erie
Sales Tax Rates from Direct and Overlapping Governments
Last Ten Years

	Boulder County					
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Scientific and Cultural Facilities District	Boulder County	Total
2012	3.500	2.900	1.000	0.100	0.800	8.300
2013	3.500	2.900	1.000	0.100	0.800	8.300
2014	3.500	2.900	1.000	0.100	0.800	8.300
2015	3.500	2.900	1.000	0.100	0.800	8.300
2016	3.500	2.900	1.000	0.100	0.985	8.485
2017	3.500	2.900	1.000	0.100	0.985	8.485
2018	3.500	2.900	1.000	0.100	0.985	8.485
2019	3.500	2.900	1.000	0.100	0.985	8.485
2020	3.500	2.900	1.000	0.100	0.985	8.485
2021	3.500	2.900	1.000	0.100	0.985	8.485

	Weld County			
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Total
2012	3.500	2.900	1.000	7.400
2013	3.500	2.900	1.000	7.400
2014	3.500	2.900	1.000	7.400
2015	3.500	2.900	1.000	7.400
2016	3.500	2.900	1.000	7.400
2017	3.500	2.900	1.000	7.400
2018	3.500	2.900	1.000	7.400
2019	3.500	2.900	1.000	7.400
2020	3.500	2.900	1.000	7.400
2021	3.500	2.900	1.000	7.400

Source: Town of Erie Finance Office
Colorado Department of Revenue

Town of Erie
Principal Sales Taxpayers
Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Aggregate top ten filers[(1)]	$ 994,891	$ 1,096,938	$ 1,137,611	$ 1,217,909	$ 1,547,514	$ 4,202,529	$ 5,193,369	$ 4,472,727	$ 6,143,362	$ 6,241,787
Aggregate all other filers	972,826	973,689	1,113,540	1,359,852	1,929,602	2,025,377	2,364,253	4,159,081	5,204,528	(6,241,787)
Total sales tax [(2)]	$ 1,967,717	$ 2,070,627	$ 2,251,151	$ 2,577,761	$ 3,477,116	$ 6,227,906	$ 7,557,622	$ 8,631,808	$ 11,820,175	$ 13,838,743
Top ten filers as a percentage of total tax	50.6%	53.0%	50.5%	47.2%	44.5%	67.5%	68.7%	51.8%	52.0%	45.1%

Source: Colorado Department of Revenue

[(1)]Colorado State Statutes prohibit disclosure of individual sales and use tax returns, therefore the identities of the vendors cannot be divulged under penalty of law.
[(2)]Excludes sales tax arising from sales of vehicles.

Town of Erie
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

	Governmental Activities			Business-type Activities					
Fiscal Year	General Obligation Bonds	Capital Leases	URA Revenue Bonds	Revenue Bonds/Loans [1]	Certificates of Participation	Capital Leases	Mortgages & Other Loans Payable	Total Primary Government	Percentage of Personal Income [2]
2012	15,727,719	-	-	56,086,691	28,465,197	2,441,007	781,683	103,502,297	9.71%
2013	15,923,684	250,790	-	54,983,075	28,295,000	-	758,942	100,211,491	8.46%
2014	21,249,523	195,470	-	54,126,668	25,105,000	-	745,832	101,422,493	7.45%
2015	20,010,049	138,363	-	51,331,253	25,768,158	-	735,843	97,983,666	6.74%
2016	18,707,714	82,969	-	49,398,754	25,088,650	-	665,499	93,943,586	5.59%
2017	17,350,378	22,229	-	46,784,562	24,394,142	-	-	88,551,311	4.65%
2018	15,938,459	-	-	44,104,764	23,689,627	-	-	83,732,850	3.95%
2019	14,852,799	30,382	-	41,378,868	22,965,126	28,514	-	79,255,689	5.89%
2020	13,745,525	73,586	-	38,571,880	22,225,618	82,118	-	74,698,727	3.78%
2021	12,613,251	512,674	4,018,984	35,698,765	21,471,110	179,724	-	74,494,508	3.77%

Sources: Bureau of Economic Analysis
U.S. Census Bureau
Town of Erie Finance Department
Town of Erie Economic Development

[1] Includes revenue bonds and loans from the Colorado Water Resources and Power Development Authority.

[2] Current year personal income data not yet available.

Town of Erie
Ratio of General Bonded Debt Outstanding
Last Ten Years

Year	Population	Estimated Actual Taxable Value	General Bonded Debt(1)	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2012	18,800	2,184,304,274	15,727,719	0.72	837
2013	19,400	2,217,560,030	15,923,684	0.72	821
2014	20,100	2,270,916,138	21,249,523	0.94	1,057
2015	21,200	2,341,433,467	20,010,049	0.85	944
2016	22,400	2,854,121,861	18,707,714	0.66	835
2017	24,000	2,962,790,731	17,350,378	0.59	723
2018	25,900	3,688,424,711	15,938,459	0.43	615
2019	27,700	3,956,218,418	14,852,799	0.38	536
2020	29,200	4,709,022,482	13,745,525	0.29	471
2021	30,038	5,005,440,843	12,613,251	0.25	420

Sources: U.S. Census Bureau
Town of Erie Community Development Department
Boulder County Assessor's Office
Weld County Assessor's Office

(1) General obligation bond debt equal to gross general obligation bond debt less obligations associated with proprietary funds. In this table the gross general obligation debt is equal to net general obligation bond debt.

Town of Erie
Direct and Overlapping General Bonded Debt
As of December 31, 2021

	Outstanding General Bonded Debt	Percentage Applicable to the Town[2]	Share of Debt Applicable to the Town
Direct Debt			
Town of Erie	$ 13,125,925	100 %	$ 13,125,925
Overlapping Debt [1]			
Boulder Valley School District	772,105,529	1	9,764,449
Brennan Metropolitan District	2,872,178	100	2,872,178
Colliers Hill Metropolitan Districts #1-3	86,126,523	100	86,126,523
Erie Commons Metropolitan District #2	32,435,000	100	32,435,000
Erie Corporate Center Metropolitan District #2	3,000,000	100	3,000,000
Erie Urban Renewal Authority - Historic Downtown	4,018,000	100	4,018,000
Erie Farm Metropolitan District	5,667,340	100	5,667,340
Erie Highlands Metropolitan Districts #1-2	26,074,000	100	26,074,000
Flatiron Meadows Metropolitan Distict	14,697,000	100	14,697,000
Lost Creek Farms Metropolitan District	1,764,925	100	1,764,925
Morgan Hill Metropolitan District #3	20,349,623	100	20,349,623
Mountain View Fire Protection District	5,170,000	48	2,481,600
Nine Mile Metropolitan District	17,797,935	100	17,797,935
Northern Colorado Water Conservation District	15,323,413	2	306,468
Rex Ranch Metropolitan District	5,166,102	100	5,166,102
St. Vrain Sanitation District	3,440,365	1	34,404
St. Vrain Valley School District	510,148,820	7	38,180,000
Vista Ridge Metropolitan District	37,979,297	100	37,979,297
Total Overlapping Debt	1,564,136,050		308,714,844
Total Direct and Overlapping General Bonded Debt	$ 1,577,261,975		$ 321,840,769

Source: Provided by each government entity

[1]The following governments had no outstanding general bonded debt:
Weld County, High Plains Library, Left Hand Water, Boulder Valley Conservation, Erie Corp Center Metro #3, Ridge Lands Metro, RTD, Erie Commons Metro #1, Longmont Conservation, Erie Corp Center Metro #1, Sunset Parks Metro, Morgan Hill Metro #1, Morgan Hill Metro #2, Erie Highlands Metro #3, Erie Highlands Metro #4, Erie Highlands Metro #5, Summerfield Metro #1, Summerfield Metro #2, Summerfield Metro #3, Redtail Ranch Metro District, 232 Metro District, Erie Area 4 TIF, Erie Urban Renewal, Sierra Vista Metro District, Boulder County, Urban Drainage and Flood Control, Lafayette Rural Fire, Hwy 287 URA, Four Corners URA, Four Corners Metro District and Four Corners BID.

[2]Town assessed valuation as a percentage of the total assessed valuation of the overlapping government.
The amounts shown do not represent obligations of the Town of Erie.

Town of Erie
Legal Debt Margin Information
Last Ten Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	$66,938,782	$68,952,454	$70,581,786	$73,170,157	$89,743,263	$94,865,701	$118,914,195	$130,019,324	$155,482,394	$150,163,225
Less: Net Debt Applicable to Limit	$15,490,000	$14,625,000	$19,755,000	$18,635,000	$17,465,000	$16,240,000	$14,960,000	$14,000,000	$13,000,000	$11,975,000
Legal Debt Margin	$51,448,782	$54,327,454	$50,826,786	$54,535,157	$72,278,263	$78,625,701	$103,954,195	$116,019,324	$142,482,394	$138,188,225
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	23.14%	21.21%	27.99%	25.47%	19.46%	17.12%	12.58%	10.77%	8.36%	7.97%

Legal Debt Margin Calculation for Fiscal Year 2021

Actual Valuation	
Boulder County	$2,301,244,980
Weld County	2,704,195,863
Total Actual Valuation	$5,005,440,843
Legal Debt Margin	
Debt Limitation:	
3 Percent of Total Assessed Valuation	$150,163,225
Debt Applicable to Limitation:	
Outstanding Balance of General Obligation Bonds	12,613,251
Legal Debt Margin	$150,163,225

Source: Town of Erie Finance Department

Town of Erie
Pledged-Revenue Coverage
Water Revenue Bonds
Last Ten Fiscal Years

Year	Gross Revenues[1]	Operating Expenses[2]	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2012	8,857,658	2,746,833	6,110,825	676,000	1,100,016	1,776,016	3.44 x
2013	10,438,223	3,012,737	7,425,486	1,453,045	1,383,950	2,836,995	2.62 x
2014	12,674,206	3,191,385	9,482,821	1,465,000	1,370,029	2,835,029	3.34 x
2015	14,265,470	4,090,660	10,174,810	1,500,000	1,334,204	2,834,204	3.59 x
2016	18,267,808	3,755,288	14,512,520	1,560,000	1,272,904	2,832,904	5.12 x
2017	22,824,241	4,769,246	18,054,995	1,625,000	1,122,156	2,747,156	6.57 x
2018	25,075,166	4,211,555	20,863,611	1,835,000	945,089	2,780,089	7.50 x
2019	31,495,779	4,822,378	26,673,401	1,785,000	914,506	2,699,506	9.88 x
2020	33,480,209	5,765,605	27,714,604	1,880,000	808,981	2,688,981	10.31 x
2021	41,051,917	6,751,775	34,300,142	1,935,000	752,178	2,687,178	12.76 x

Source: Town of Erie Finance Department

[1] Gross revenues consist of water sales, capital contributions (tap fees), investment income, and other income.

[2] Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, or interest paid on outstanding bonds. Includes assessments for Windy Gap Firming Project, which are reported as Capital Outlay in the Financial Statements.

Town of Erie
Pledged-Revenue Coverage
Wastewater Revenue Bonds
Last Ten Fiscal Years

Year	Gross Revenues[1]	Operating Expenses[2]	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2012	4,332,892	1,985,483	2,347,409	563,209	998,926	1,562,135	1.50 x
2013	5,477,482	2,170,910	3,306,572	560,696	973,337	1,534,033	2.16 x
2014	5,827,861	2,488,132	3,339,729	578,224	952,155	1,530,379	2.18 x
2015	6,710,717	2,557,448	4,153,269	600,491	934,736	1,535,227	2.71 x
2016	7,388,911	2,510,334	4,878,577	493,183	797,144	1,290,327	3.78 x
2017	7,984,720	2,780,013	5,204,707	636,647	670,389	1,307,036	3.98 x
2018	10,262,444	3,048,996	7,213,448	656,182	655,143	1,311,325	5.50 x
2019	9,855,016	3,302,018	6,552,998	667,010	644,016	1,311,026	5.00 x
2020	11,519,473	3,451,820	8,067,653	545,000	617,725	1,162,725	6.94 x
2021	13,663,957	2,754,347	10,909,610	555,000	606,825	1,161,825	9.39 x

Source: Town of Erie Finance Department

[1]Gross revenues consist of water sales, capital contributions (tap fees), investment income, and other income.

[2]Operating expenses excludes depreciation.

Town of Erie
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population (1)	Personal Income (2) (in thousands)	Per Capita Income (2)	Median Age (1)	School Enrollment	Unemployment Rate (3)
2012	18,800	1,024,638	54,502	36.4	3,852	5.7
2013	19,400	1,066,379	54,968	35.2	4,085	4.6
2014	20,100	1,184,232	58,917	36.9	4,602	3.3
2015	21,200	1,360,976	64,197	36.0	4,903	2.7
2016	22,400	1,453,200	64,875	37.0	5,172	2.1
2017	24,000	1,679,232	69,968	37.0	5,700	2.5
2018	25,900	1,904,116	73,518	37.0	5,757	3.3
2019	27,700	2,119,798	76,527	36.8	6,162	2.0
2020	29,200	1,345,828	46,090	36.6	5,845	3.6
2021	30,038	1,978,062	65,852	37.0	5,976	4.0

Sources: U.S. Census Bureau

Town of Erie Economic Development Department
Bureau of Economic Analysis
Bureau of Labor Statistics
Department of Local Affairs
Boulder Valley School District
St. Vrain Valley School District

(1) Source - Town of Erie - Economic Development.

(2) Source - U.S. Department of Commerce, Bureau of Economic Analysis, Table CA1-3 for Boulder County Metropolitan Statistical Area.

(3) Source - Economic Research - Federal Reserve Bank of St. Louis

Principal Employers
Current Year and Ten Years Ago

	2021		
Employer	Employees	Rank	Percentage of Total Town Employment
King Soopers	298	1	9.59 %
Town of Erie (1)	291	2	9.36
Southwaste	96	3	3.09
Safeway	88	4	2.83
Aspen Ridge Prep School	72	5	2.32
Boulder Valley School District	81	6	2.61
Magnum Plastics	60	7	1.93
Colorado National Golf Club	50	8	1.61
USPS	45	9	1.45
Lazy Dog	30	10	0.97
Total	813		26.17 %

(1) Includes part-time/seasonal staff. Budgeted FTE's are 220.

	2012		
	Employees	Rank	Percentage of Total Town Employment
Town of Erie	258	1	8.32 %
St. Vrain Valley School District	250	2	8.06
Magpul Industries	200	3	6.45
Safeway	75	4	2.42
Magnum Plastics	61	5	1.97
Colorado National Golf Club	50	6	1.61
Primrose School	45	7	1.45
Front Range Hospice	30	8	0.97
John Murphy Millworks	25	9	0.81
The Goddard School	25	10	0.81
	1,019		32.87 %

Source: Town of Erie Economic Development

Town of Erie
Full-Time Equivalent Town Government Employees by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
General Government	14.2	15.2								
Town Administration			5.0	5.0	5.0	6.0	6.0	6.0	6.0	10.0
Community Engagement										3.0
Economic Development			1.0	1.0	1.0	1.0	1.0	2.0	2.0	3.0
Finance			6.0	6.0	7.0	8.0	8.0	8.0	9.0	9.0
Human Resources			2.0	2.0	2.0	3.0	3.0	3.0	4.0	5.0
Information Technology			3.0	3.0	3.6	3.6	4.0	4.0	4.0	4.0
Planning & Development			15.0	16.0	18.0	23.0	26.0	25.0	26.0	28.0
Parks & Recreation	69.6	74.3	71.2	72.1	75.0	79.4	84.0	85.2	84.5	88.4
Public Safety	25.0	27.0	25.9	27.4	30.0	32.0	40.5	43.5	47.0	51.5
Public Works	42.6	45.6	35.6	35.7	37.4	43.0	43.0	43.0	45.0	45.5
Total	151.4	162.1	164.7	168.2	179.0	199.0	215.5	219.7	227.5	247.4

Source: Town of Erie Finance Department

Town of Erie
Operating Indicators by Function
Last Ten Fiscal Years

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Recreation										
Recreation/Community Center Visits	204,048	192,899	196,107	208,845	229,482	242,703	262,664	264,835	62,522	81,912
Recreation Activities	73,241	75,279	75,021	73,930	72,768	71,101	72,728	74,700	42,084	64,725
Community Events	3,118	2,560	3,504	3,031	2,987	4,334	4,237	6,282	1,554	10,147
Rentals	646	628	573	613	648	594	559	546	156	1,041
Police										
Traffic Violations	1,138	1,573	1,255	1,420	1,897	1,474	1,852	2,635	1,712	2,178
Criminal Violations	239	263	275	385	404	211	183	332	321	299
Water										
Number of Service Connections	6,765	6,990	7,195	7,561	8,048	8,547	9,193	9,859	10,265	10,843
Average Daily Flow (million gallons per day)	2.94	2.64	2.63	2.75	3.15	3.25	3.80	3.27	4.07	4.30
Wastewater										
Number of Service Connections	6,491	6,716	6,912	7,242	7,732	8,220	8,875	9,421	9,983	10,589
Average Daily Flows (million gallons per day)	1.090	1.216	1.190	1.190	1.300	1.490	1.500	1.557	1.510	1.730

Sources: Town of Erie Public Works Department
Town of Erie Police Department
Town of Erie Parks & Recreation Department

Town of Erie
Capital Assets Statistics by Function
Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function										
Parks and Recreation										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	10	10	10	10	10	10	12	12	13	13
Park Acreage	136	136	136	136	136	136	150	150	157	157
Open Space Acreage	607	607	1,075	1,075	1,096	1,096	1,096	1,143	1,143	1,143
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	8	8	9	9	10	10	11	13	16	21
Public Works										
Streets (miles)	122.4	134.0	134.0	134.0	135.0	154.0	154.0	157.6	158.5	161.9
Water										
Water Mains (miles)	132.7	132.7	137.0	149.5	157.0	165.0	181.0	189.5	195.0	205.5
Maximum Daily Capacity (million gallons per day)	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2	18.9	18.9
Wastewater										
Sanitary Sewers (miles)	89.7	90.9	94.0	100.8	103.5	109.0	122.0	125.9	131.3	136.4
Maximum Daily Capacity (million gallons per day)	2.70	2.70	2.70	2.70	2.70	2.70	1.50	1.95	1.95	1.95
Storm Drainage										
Storm Sewers (miles)	40.1	39.9	44.0	49.7	53.0	59.0	64.0	64.6	72.6	82.2
Airport										
Terminal Building	1	1	1	1	1	1	1	1	1	1

Sources: Town of Erie Public Works Department
Town of Erie Police Department
Town of Erie Parks & Recreation Department

Town of Erie
Property Values and Construction
Last Ten Fiscal Years

	Estimated Actual Property Value			Commercial Construction		Residential Construction	
Year	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
2012	86,983,585	2,005,135,153	2,092,118,738	5	3,860,578	150	36,498,702
2013	85,420,889	2,037,869,085	2,123,289,974	2	8,414,892	249	63,529,916
2014	91,875,014	2,077,190,454	2,169,065,468	7	14,437,901	291	81,564,843
2015	90,288,387	2,161,739,601	2,252,027,988	4	3,141,720	427	118,590,894
2016	98,895,118	2,666,423,992	2,765,319,110	9	19,393,000	465	123,766,000
2017	103,321,654	2,853,165,694	2,956,487,348	10	6,344,000	631	168,432,000
2018	138,133,645	3,578,300,793	3,716,434,438	11	12,468,000	640	164,695,000
2019	147,396,182	3,847,222,276	3,994,618,458	9	12,429,000	607	180,731,000
2020	196,082,070	4,524,863,798	4,720,945,868	4	3,147,000	475	135,482,000
2021	202,925,137	4,895,479,836	5,098,404,973	29	39,724,735	807	239,977,422

Source: Boulder County Assessor's Office
Weld County Assessor's Office
Town of Erie Building Department

Compliance Section

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History of Net Revenues and Debt Service Coverage for the Water Enterprise

	2017	2018	2019	2020	2021
Gross Revenues					
Charges for services	$ 9,044,664	$ 10,251,306	$ 10,429,799	$ 12,654,777	12,325,726
Tap fees	15,702,821	20,416,574	20,404,933	19,986,944	28,671,412
Interest income	285,093	699,994	1,370,664	786,177	(43,489)
Other income	42,588	127,905	556,950	52,311	98,268
Total Gross Revenues	25,075,166	31,495,779	32,762,346	33,480,209	41,051,917
Operation and Maintenance Expenses (1)	4,211,555	4,822,378	5,052,305	5,765,605	6,751,775
Net Revenues	$ 20,863,611	$ 26,673,401	$ 27,710,041	$ 27,714,604	$ 34,300,142
Combined Maximum Annual Principal and Interest Requirements	$ 2,693,979	$ 2,693,979	$ 2,693,979	$ 2,693,979	$ 2,693,979
Pro-Forma Coverage Ratio	7.740x	9.90x	10.29x	10.29x	12.73x
Current year debt service					$ 2,687,179
Coverage Ratio - current year					12.76x
Minimum required ratio					1.25x

(1) Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, or interest paid on outstanding bonds. Includes assessments for Windy Gap Firming Project, which are reported as Capital Outlay in the Financial Statements.

History of Water Connection Fees

Year	Residential (1) Taps Sold	Dwelling Units	Residential Connection Fees	Commercial Taps Sold	Commercial Connection Fees	Total Taps Sold	Total Connection Fees
2017	511	631	14,976,375	9	726,446	520	15,702,821
2018	637	640	19,309,796	11	1,106,778	648	20,416,574
2019	607	604	19,310,174	9	1,094,759	616	20,404,933
2020	472	470	14,922,595	2	1,031,995	474	15,954,590
2021	824	1,055	26,598,578	28	2,133,449	852	28,732,027

(1) Residential also includes multi-family/townhome and irrigation taps.

History of Water Accounts

Year	Residential Accounts	Commercial Accounts	Irrigation Accounts	Total Accounts	% Change in Accounts
2017	8,233	150	169	8,552	6.2%
2018	8,856	163	184	9,203	7.6%
2019	9,497	174	188	9,859	7.1%
2020	9,950	183	193	10,326	4.7%
2021	10,522	192	200	10,914	5.7%

Note: Irrigation accounts based on summer usage activity.

Largest Customers of the Water System

Type of Business	2021 Revenue	% of Total (1)
The Town	$ 194,877	1.58%
Homeowners Association	118,521	0.96%
Homeowners Association	92,476	0.75%
School District	75,121	0.61%
Homeowners Association	72,057	0.58%
Homeowners Association	69,751	0.57%
Homeowners Association	69,444	0.56%
Homeowners Association	64,855	0.53%
Construction Company	63,936	0.52%
Homeowners Association	56,563	0.46%
Total	$ 877,601	7.12%

(1) Based on total charges for service of $12,325,726

Budget Summary and Comparison - Water Fund

	2020 Final Budget	2020 Actual	2021 Final Budget	2021 Actual
Beginning Working Capital	$ 58,640,231	$ 58,640,231	$ 64,578,641	$ 64,578,641
Revenues				
Charges for services	11,400,000	12,654,778	10,918,000	12,325,727
Connection fees	13,694,700	15,954,589	14,476,900	28,671,412
Interest income	587,000	786,177	317,000	(43,489)
Other income	1,001,000	626,840	35,000	44,417
Total revenues	26,682,700	30,022,384	25,746,900	40,998,067
Total funds available	85,322,931	88,662,615	90,325,541	105,576,708
Operating Expenses				
Administration	3,722,500	3,436,191	4,512,150	4,083,803
Distribution	366,700	306,389	432,500	451,749
Treatment	1,568,900	1,335,304	1,582,700	1,520,505
Meters	297,300	204,572	283,100	253,904
Debt service	4,322,100	4,304,708	5,283,300	4,340,080
Capital outlay	35,745,700	14,471,377	46,149,200	10,562,054
Total operating expenses	46,023,200	24,058,542	58,242,950	21,212,095
Other Financing Sources				
Proceeds from debt issuance (1)	91,200	-	288,500	139,800
Total other financing sources	91,200	-	288,500	139,800
Other changes in working capital	-	(25,432)	-	8,666
Net change in working capital	(19,249,300)	5,938,410	(32,207,550)	19,934,438
Ending Working Capital	$ 39,390,931	$ 64,578,641	$ 32,371,091	$ 84,513,079

(1) 2021 represents a capital lease obligation.

Water Fund - History of Revenues, Expenses and Changes in Net Position

	2017	2018	2019	2020	2021
Operating Revenues					
Charges for services	$ 9,044,664	$ 10,251,306	$ 10,429,799	$ 12,654,777	$ 12,325,727
Operating Expenses					
Personnel services	2,038,669	2,256,820	2,305,940	2,480,835	1,105,768
Operations and maintenance	2,172,886	2,565,558	2,746,365	3,284,770	5,179,327
Depreciation	3,105,037	3,477,471	3,738,035	3,954,365	3,911,356
Total Operating Expenses	7,316,592	8,299,849	8,790,340	9,719,970	10,196,451
Net Operating Income	1,728,072	1,951,457	1,639,459	2,934,807	2,129,276
Nonoperating Revenues (Expenses)					
Investment income	285,093	699,994	1,370,664	786,177	(43,489)
Other, net (1)	42,588	31,704	531,955	(828,788)	98,267
Interest expense	(1,946,105)	(1,827,183)	(1,760,175)	(1,698,332)	(1,630,194)
Total Nonoperating Expenses, net	(1,618,424)	(1,095,485)	142,444	(1,740,943)	(1,575,416)
Net Income/(Loss) before Contributions	109,648	855,972	1,781,903	1,193,864	553,860
Capital contributions (2)	18,262,084	22,995,540	26,845,844	19,986,944	31,502,294
Transfers In	-	-	-	-	178,797
Change in Net Position	18,371,732	23,851,512	28,627,747	21,180,808	32,234,951
Total Net Position - Beginning	136,951,652	155,323,384	179,423,236	208,050,983	229,231,791
Prior Period Adjustments (3)	-	248,340	-	-	-
Total Net Position - Ending	$ 155,323,384	$ 179,423,236	$ 208,050,983	$ 229,231,791	$ 261,466,742

(1) 2019 reflects an arbitration settlement of $500,000 related to a capital project (funds expended for repairs in 2020).

(2) Reflects developer contributions of infrastructure of $2,559,000 in 2017, $2,483,000 in 2018, $6,416,000 in 2019, $3,457,8226 in 2020, and $2,802,924 in 202

(3) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end customer billing accruals.

Budget Summary and Comparison - General Fund

	2020 Final Budget	2020 Actual	2021 Final Budget	2021 Actual
Revenues				
Taxes	$ 22,101,500	$ 24,080,039	$ 24,985,700	$ 29,133,082
Intergovernmental	2,488,052	2,566,167	$ 1,248,000	$ 2,202,934
Licenses and Permits	2,111,500	2,674,326	$ 2,621,500	$ 4,211,015
Fees and Charges for Services	2,965,000	3,250,445	$ 4,241,000	$ 4,419,377
Fines and Forfeitures	248,000	251,347	$ 303,000	$ 240,420
Capital Contributions and Fees	280,300	167,862	$ -	$ -
Investment Earnings	284,000	366,320	$ 235,000	$ (18,392)
Miscellaneous	680,300	900,619	$ 697,700	$ 1,039,749
Total Revenues	31,158,652	34,257,125	34,331,900	41,228,185
Expenditures				
Current Operating:				
General Government	7,409,057	7,260,736	10,414,975	7,194,997
Public Safety	6,127,295	5,599,006	6,875,446	6,508,152
Public Works	3,206,100	3,362,722	3,348,619	4,258,974
Parks and Recreation	6,701,800	6,068,075	7,681,400	7,058,168
Capital Outlay	5,882,200	2,961,895	13,689,774	4,951,753
Debt Service				
Principal	1,000,000	1,000,000	1,025,000	1,025,000
Interest	493,500	494,563	464,200	463,705
Total Expenditures	30,819,952	26,746,997	43,499,414	31,460,749
Excess (Deficiency) of Revenues Over (Under) Expenditures	338,700	7,510,128	(9,167,514)	9,767,436
Other Financing Sources (Uses)				
Transfers In	600,000	-	1,763,531	465,490
Transfers Out	-	-	(333,360)	(333,360)
Capital Leases	-	-	-	-
Sales of Capital Assets	-	72,489	-	59,793
Insurance Recoveries	-	20,895	-	12,918
Proceeds from Litigation Settlements	-	-	-	-
Total Other Financing Sources (Uses)	600,000	93,384	1,430,171	204,841
Net Change in Fund Balance	938,700	7,603,512	(7,737,343)	9,972,277
Fund Balance, Beginning	30,136,806	30,136,806	37,740,318	37,740,318
Prior Period Adjustments	-	-	-	-
Fund Balance, Ending	$ 31,075,506	$ 37,740,318	$ 30,002,975	$ 47,712,595

General Fund - History of Revenues, Expenses and Changes in Fund Balance

	2017	2018	2019	2020	2021
Revenues					
Taxes	$ 16,179,942	$ 18,615,903	$ 20,750,132	$ 24,080,039	$ 29,133,082
Intergovernmental	1,138,700	1,435,852	1,687,735	2,566,167	2,202,934
Licenses and Permits	2,837,483	3,699,178	2,849,759	2,674,326	4,211,015
Fees and Charges for Services	4,570,432	4,753,635	4,940,856	3,250,445	4,419,377
Fines and Forfeitures	268,853	275,835	364,421	251,347	240,420
Capital Contributions and Fees	-	-	-	167,862	-
Investment Earnings	209,518	510,692	693,693	366,320	(18,392)
Miscellaneous	552,644	765,864	558,578	900,619	1,039,749
Total Revenues	25,757,572	30,056,959	31,845,174	34,257,125	41,228,185
Expenditures					
Current Operating:					
General Government (1)	4,349,177	5,615,511	6,549,890	7,260,736	7,194,997
Public Safety	3,482,081	4,041,846	5,029,328	5,599,006	6,508,152
Public Works	2,991,570	3,028,797	3,429,778	3,362,722	4,258,974
Parks and Recreation	5,023,118	5,264,703	6,028,787	6,068,075	7,058,168
Capital Outlay (2)	2,082,586	10,269,388	3,231,882	2,961,895	4,951,753
Debt Service					
Principal	1,281,999	1,302,230	964,080	1,000,000	1,025,000
Interest	645,055	588,833	531,867	494,563	463,705
Total Expenditures	19,855,586	30,111,308	25,765,612	26,746,997	31,460,749
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,901,986	(54,349)	6,079,562	7,510,128	9,767,436
Other Financing Sources (Uses)					
Transfers In	328,700	350,064	-	-	465,490
Transfers Out	(77,046)	-	(4,265,000)	-	(333,360)
Capital Leases	-	-	34,462	-	-
Sales of Capital Assets	105,000	352,091	49,404	72,489	59,793
Insurance Recoveries	33,333	139,187	77,193	20,895	12,918
Proceeds from Litigation Settlements	-	45,147	476,500	-	-
Total Other Financing Sources (Uses	389,987	886,489	(3,627,441)	93,384	204,841
Net Change in Fund Balance	6,291,973	832,140	2,452,121	7,603,512	9,972,277
Fund Balance, Beginning	20,532,568	26,760,506	27,684,685	30,136,806	37,740,318
Prior Period Adjustments (3) (4)	(64,035)	92,039	-	-	-
Fund Balance, Ending	$ 26,760,506	$ 27,684,685	$ 30,136,806	$ 37,740,318	$ 47,712,595

(1) 2019 reflects a $1.0 million cyber-crime fraud loss, net of $250 thousand in insurance claim proceeds received to date.

(2) 2018 reflects the purchase of 255 acres of land along I-25 and Erie Parkway for $6.4 million for future economic development.

(3) In 2017 a prior period adjustment was made to reflect the correction of parks capital contribution fees recorded in the General Fund in error..

(4) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end revenue accruals.

History of Net Revenues and Debt Service Coverage for the Wastewater Enterprise

	2017	2018	2019	2020	2021
Gross Revenues					
Charges for services	$ 4,439,911	$ 5,096,131	$ 5,486,900	$ 5,806,390	$ 6,067,831
Tap fees	2,757,730	3,407,731	3,241,428	5,348,514	7,613,747
Interest income	178,651	393,174	639,135	364,288	(22,586)
Other	608,428	1,365,408	487,553	281	4,965
Total Gross Revenues	7,984,720	10,262,444	9,855,016	11,519,473	13,663,957
Operation and Maintenance Expenses (1)	2,780,013	3,048,996	3,302,018	3,451,820	2,754,347
Net Revenues	$ 5,204,707	$ 7,213,448	$ 6,552,998	$ 8,067,653	$ 10,909,610
Combined Maximum Annual Principal and Interest Requirements	$ 1,377,100	$ 1,377,100	$ 1,377,100	$ 1,377,100	$ 1,377,100
Pro-Forma Coverage Ratio	3.78x	5.24x	4.76x	5.86x	7.92x
Current year debt service					$ 1,314,675
Coverage Ratio - current year					8.3x
Minimum required ratio					1.10x

(1) Includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, or interest paid on outstanding bonds.

History of Wastewater Tap Fees

Year	Residential Taps Sold (1)	Residential Tap Fees	Commercial Taps Sold	Commercial Tap Fees	Total Taps Sold	Total Tap Fees
2017	501	2,677,997	5	79,733	506	2,757,730
2018	621	3,289,865	11	117,866	632	3,407,731
2019	603	3,135,600	8	105,828	611	3,241,428
2020	471	2,449,201	1	71,067	472	2,520,268
2021	777	6,593,633	16	283,765	793	6,877,398

(1) Residential also includes multi-family/townhome taps.

History of Wastewater Accounts

Year	Residential Accounts	Commercial Accounts	Total Accounts
2017	8,090	128	8,218
2018	8,716	139	8,855
2019	9,272	149	9,421
2020	9,828	155	9,983

Largest Customers of the Wastewater System

Type of Business	2021 Revenue	% of Total (1)
Homeowners Association	$ 115,582	1.90%
Homeowners Association	52,361	0.86%
The Town	30,693	0.51%
Commercial Business	23,026	0.38%
School District	22,854	0.38%
Commercial Business	22,584	0.37%
Commercial Business	19,976	0.33%
Homeowners Association	19,750	0.33%
Homeowners Association	17,958	0.30%
Commercial Business	16,999	0.28%
Total	$ 341,783	5.63%

(1) Based on total charges for service of $6,067,830

Budget Summary and Comparison - Wastewater Fund

	2020 Final Budget	2020 Actual	2021 Final Budget	2021 Actual
Beginning Working Capital	$ 26,296,195	$ 26,296,195	$ 28,474,044	$ 28,474,044
Revenues				
Charges for services	5,780,000	5,806,390	6,053,000	6,067,831
Tap fees	2,286,000	2,520,268	4,367,000	7,613,747
Investment income	176,000	364,288	27,000	(22,586)
Other income	92,800	705,173	33,800	4,965
Total revenues	8,334,800	9,396,119	10,480,800	13,663,957
Total funds available	34,630,995	35,692,314	38,954,844	42,138,001
Operating Expenses				
Administration	1,857,500	1,776,424	1,876,600	1,141,611
Collection	380,500	263,419	99,500	284,184
Treatment	1,276,600	1,278,632	1,349,800	1,399,462
Debt service	1,334,100	1,324,603	1,333,500	1,314,675
Capital outlay	25,833,200	2,575,192	28,665,500	16,280,680
Total operating expenses	30,681,900	7,218,270	33,324,900	20,420,612
Other Financing Sources				
Proceeds from Debt Issuance	47,300	-	52,000	-
Total other financing sources	47,300	-	52,000	-
Other changes in working capital	-	-	-	-
Net change in working capital	(22,299,800)	2,177,849	(22,792,100)	(6,756,655)
Ending Working Capital	$ 3,996,395	$ 28,474,044	$ 5,681,944	$ 21,717,389

Wastewater Fund - History of Revenues, Expenses and Changes in Net Position

	2017	2018	2019	2020	2021
Operating Revenues					
Charges for services	$ 4,439,911	$ 5,096,131	$ 5,486,900	$ 5,806,390	$ 6,067,831
Operating Expenses					
Personnel services	1,663,310	1,894,886	1,944,056	2,061,132	525,161
Operations and maintenance	1,116,703	1,154,110	1,357,962	1,390,688	2,229,186
Depreciation	1,543,024	1,694,838	1,837,044	1,965,740	1,993,448
Total Operating Expenses	4,323,037	4,743,834	5,139,062	5,417,560	4,747,795
Net Operating Income	116,874	352,297	347,838	388,830	1,320,036
Nonoperating Revenues (Expenses)					
Investment income	178,651	393,174	639,135	364,288	(22,586)
Other, net	13,795	7,500	1,021	281	4,965
Interest expense	(672,334)	(662,031)	(650,446)	(626,670)	(624,506)
Total Nonoperating Expenses, net	(479,888)	(261,357)	(10,290)	(262,101)	(642,127)
Net Income/(Loss) before Contributions	(363,014)	90,940	337,548	126,729	677,909
Capital contributions (1)	6,122,913	7,173,026	10,201,532	5,348,514	9,596,446
Change in Net Position	5,759,899	7,263,966	10,539,080	5,475,243	10,274,355
Total Net Position - Beginning	43,881,828	49,641,727	57,133,114	67,672,194	73,147,437
Prior Period Adjustments (2)	-	227,421	-	-	-
Total Net Position - Ending	$ 49,641,727	$ 57,133,114	$ 67,672,194	$ 73,147,437	$ 83,421,792

(1) Reflects developer contributions of infrastructure of $2,771,000 in 2017, $2,407,000 in 2018, $6,474,000 in 2019, $2,123,354 in 2020, and $1,982,
(2) In 2018 a prior period adjustment was made to record adjustments to 2017 year-end customer billing accruals.

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

Board of Trustees
Town of Erie
Erie, 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 Town of Erie (the Town), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated June 14, 2022.

Report on Internal Control Over Financial Reporting

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

Board of Trustees
Town of Erie

Report on Compliance and Other Matters

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

Purpose of This Report

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Broomfield, Colorado
June 14, 2022

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Erie
		YEAR ENDING : December 2021
This Information From The Records Of Town of Erie	Prepared By: Phone:	Stefanie Furman 303-926-2750

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	3,167,599
3. Other local imposts (from page 2)	10,324,242
4. Miscellaneous local receipts (from page 2	(7,217)
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	13,484,624
B. Private Contributions	
C. Receipts from State government (from page 2)	1,446,481
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	14,931,105

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	4,929,218
2. Maintenance:	1,641,811
3. Road and street services:	
a. Traffic control operations	
b. Snow and ice removal	
c. Other	
d. Total (a. through c.)	0
4. General administration & miscellaneo	2,234,423
5. Highway law enforcement and safety	
6. Total (1 through 5)	8,805,452
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
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 +	8,805,452

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 Disbursement	D. Ending Balance	E. Reconciliation
12,776,891	14,931,105	8,805,452	18,902,545	(1)

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2021

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	(7,216.67)
b. Other local imposts:		b. Traffic Fines & Penalities	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	7,361,871.25	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	2,962,370.46	g. Other Misc. Receipts	
6. Total (1. through 5.)	10,324,242	h. Other	
c. Total (a. + b.)	10,324,242	i. Total (a. through h.)	(7,217)
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	958,775.22	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	104,382.61	d. Federal Transit Admin	
d. Other (Specify) - Road & Bridget Ta	251,840.67	e. U.S. Corps of Engineers	
e. Other (Specify) - Grants	131,482.12	f. Other Federal	
f. Total (a. through e.)	487,705	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	1,446,481	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements		1,276,811.91	1,276,812
(3). System Preservation		3,652,406	3,652,406
(4). System Enhancement & Operation		0	0
(5). Total Construction (1) + (2) + (3) + (4)	0	4,929,218	4,929,218
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	4,929,218	4,929,218
			(Carry forward to page 1)

Notes and Comments:

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