

TOWN OF ERIE, COLORADO

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT**

YEAR ENDED DECEMBER 31, 2023



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INTRODUCTORY SECTION



September 13, 2024

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

State Law requires all general-purpose local governments to publish within six months of the close of each fiscal year a complete set of audited financial statements. Pursuant to that requirement and the granted extension, we hereby issue this annual comprehensive financial report of the Town of Erie (the Town) for the fiscal year ended December 31, 2023.

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 a 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, 2023. 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, 2022, 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 Council¹²¹³.

The Town has operated under the Trustee-Administrator form of government since its first meeting on November 16, 1874, as a statutory town. In November 2023, Town of Erie residents approved the Town's "Home Rule" status. This changed the structure of government to a Council-Manager form of government. Policy-making and legislative authority are vested in the Town Council consisting of the mayor and six members. The Council is responsible for passing ordinances, adopting the budget, appointing committees, and appointing the town manager, clerk, treasurer, and attorney. The town manager is responsible for carrying out the goals, policies, and ordinances of the Council, for overseeing the day-to-day operations of the Town, and for appointing the heads of the various departments. The Council is elected on a nonpartisan basis. The mayor is elected for a two-year term and three members are elected for four-year terms at each biennial election.

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 manager use these requests to begin developing a proposed budget. The budget is presented to the Council for review prior to October 15. The Council 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 funds, and appropriations increasing the budget, require Council 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 was strong, though slightly slower than the prior year, with 721 permits for new residential properties issued compared to 708 permits in 2022. To support the continued 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 development – called Nine Mile – includes a Lowe's, mixed retail and commercial, and multi-family housing, which opened in 2022. The second phase of this development includes a King Soopers which is set to open in 2024. 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 369,000. The Town's major employers range from retail to engineering to education to healthcare to light manufacturing. As of December 31, 2023, the Town government had 289 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 Council 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 Council 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 Firing Project and the Northern Integrated Supply Project, part 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 Town Council. 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, 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, 2023.

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, 2022. This was the 19th 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 Town Council 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 Manager

Sara Hancock
Finance Director

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Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Erie
Colorado**

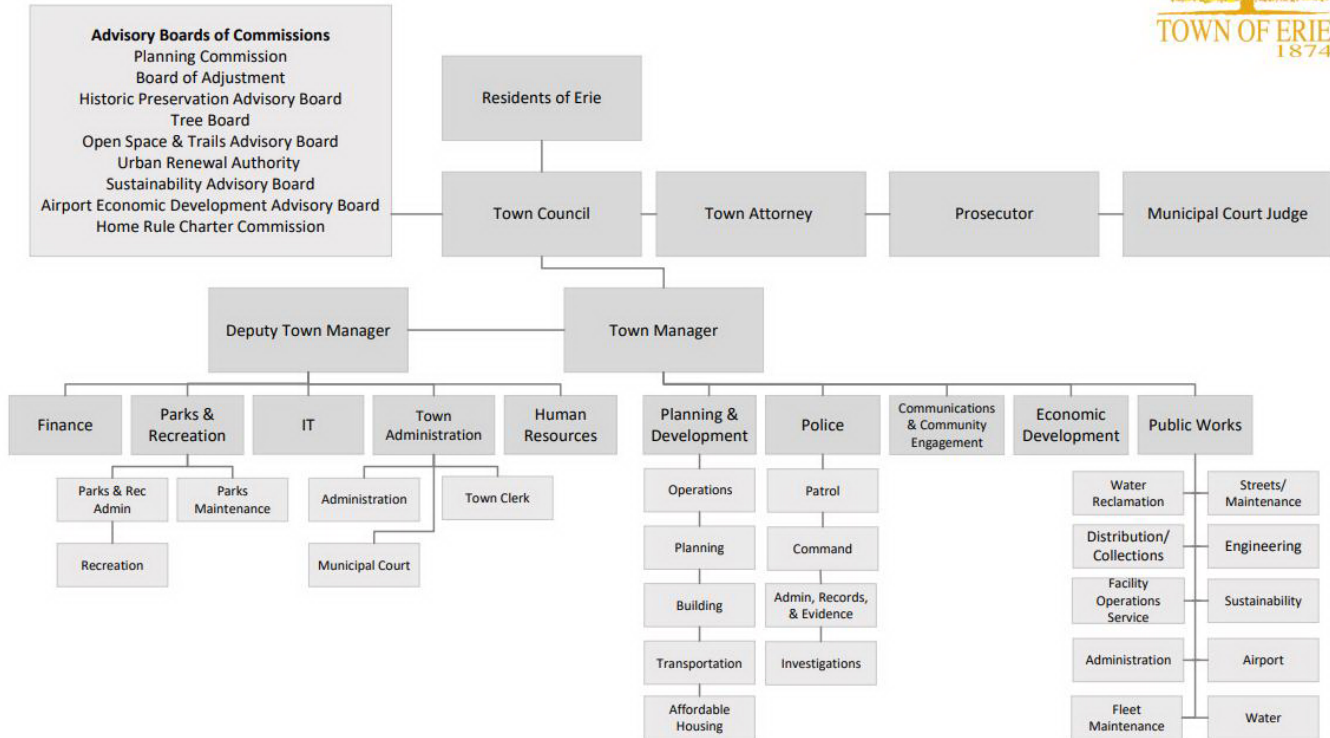
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2022

Christopher P. Morrell

Executive Director/CEO

TOWN OF ERIE ORGANIZATIONAL CHART



*As of budget adoption 2024

Town of Erie, Colorado
List of Town Officials

Elected Officials - Mayor & Town Council

Justin Brooks	Mayor	November 2024
Sara Loflin	Mayor Pro Tem	November 2024
Vacant	Member	November 2024
Emily Baer	Member	November 2024
Andrew Sawusch	Member	November 2024
Brandon Bell	Member	November 2024
Dan Hoback	Member	November 2024

Appointed Officials

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

Senior Staff

Patrick Hammer	Deputy Town Manager
Melissa Wiley	Deputy Town Manager
Sara Hancock	Director of Finance
Todd Fessenden	Director of Utilities
Denise Jakan	Director of Information Technology
Gabi Rae	Communications & Community Engagement Director
Alicia Melendez	Director of Human Resources
Julian Jacquin	Director of Economic Development
Sarah Nurmela	Director of Planning & Development
Richard Mathis	Chief of Police
Amy Teetzel	Administrative Operations Director
Luke Bolinger	Parks & Recreation Director
David Pasic	Director of Public Works
David Frank	Director of Environmental Services

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

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FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Town Council
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, 2023, 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, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison statements for the General Fund and the Erie 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, the Local Highway Finance Report, and the Schedule of Expenditures of Federal Awards as required by Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (collectively, the supplementary information) 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 supplementary information is 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 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 September 13, 2024, 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.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".**CliftonLarsonAllen LLP**

Broomfield, Colorado
September 13, 2024

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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, 2023. 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 2023 by \$852.4 million (net position). Of this amount, \$193.2 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 \$123.6 million, or 14.5%, compared to 2022. Governmental net position increased by \$62.8 million, or 17.4%, and business-type net position increased by \$60.1 million, or 12.4%.
- At December 31, 2023, the Town's governmental funds reported combined ending fund balances of \$128.8 million, an increase of \$13.7 million from 2022. This increase reflects higher levels of sales tax revenues, increased grant funding, and expense control efforts.
- The General Fund, the Town's primary operating fund, reported unassigned fund balance of \$42.0 million, representing 56.9% of actual operating expenditures for 2023.

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.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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 26 – 27 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 2023 the Town had 13 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 28 – 34 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.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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 35 – 37 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 39 – 73 of this report.

Required Supplementary Information

Required supplementary information providing certain supporting pension schedules can be found on pages 75 – 76.

Supplementary Information

Supplementary information, including combining statements for the nonmajor governmental funds (referred to earlier) are presented following the required supplementary information. In addition, budget statements for proprietary funds are also presented in this section. This information can be found on pages 78 – 103.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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, 2023, the Town's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$852.4 million, an increase of \$123.6 million over the total at December 31, 2022. The Town reported positive balances in net position for both governmental and business-type activities. Net position increased by \$62.5 million in its governmental activities and \$61.1 million in its business-type activities.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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

**Statement of Net Position
December 31, 2023 and 2022
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Assets:						
Current and Other Assets	\$ 153,488	\$ 142,997	\$ 148,305	\$ 134,887	\$ 301,793	\$ 277,884
Capital Assets	247,708	199,109	395,466	352,577	643,174	551,686
Total Assets	401,196	342,106	543,771	487,464	944,967	829,570
Deferred Outflows of Resources	3,127	1,726	2,213	2,464	5,340	4,190
Liabilities:						
Long-Term Liabilities	18,703	18,900	50,675	54,025	69,378	72,925
Other Liabilities	9,878	14,159	3,724	5,437	13,602	19,596
Total Liabilities	28,581	33,059	54,399	59,462	82,980	92,521
Deferred Inflows of Resources	14,925	12,463	-	-	14,925	12,463
Net Position:						
Net Investment in Capital Assets	232,640	184,877	347,535	301,985	580,175	486,862
Restricted	77,621	71,345	1,433	1,070	79,054	72,415
Unrestricted	50,556	42,088	142,617	127,411	193,173	169,499
Total Net Position	\$ 360,817	\$ 298,310	\$ 491,585	\$ 430,466	\$ 852,402	\$ 728,776

The Town's net investment in capital assets represents 68.1% 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 9.3% 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 22.7% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Statement of Activities

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

**Statement of Activities
Years Ended December 31, 2023 and 2022
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues:						
Program Revenues:						
Charges for Services	\$ 14,466	\$ 13,020	\$ 20,285	\$ 21,458	\$ 34,751	\$ 34,478
Operating Grants and Contributions	7,637	3,710	-	-	7,637	3,710
Capital Grants and Contributions	40,977	21,252	56,509	36,940	97,486	58,192
General Revenues:						
Taxes	41,110	36,721	-	-	41,110	36,721
Grants	-	-	-	-	-	-
Investment Earnings	6,196	842	6,543	852	12,739	1,694
Other	5,137	2,415	121	139	5,258	2,554
Total Revenues	115,523	77,960	83,458	59,389	198,981	137,349
Expenses:						
General Government	16,466	13,282	-	-	16,466	13,282
Public Safety	9,778	8,543	-	-	9,778	8,543
Public Works	12,769	11,181	-	-	12,769	11,181
Parks and Recreation	13,188	11,110	-	-	13,188	11,110
Interest on Long-Term Debt	563	559	-	-	563	559
Water	-	-	13,181	12,643	13,181	12,643
Wastewater	-	-	7,190	5,927	7,190	5,927
Storm Drainage	-	-	1,932	1,676	1,932	1,676
Airport	-	-	288	313	288	313
Total Expenses	52,764	44,675	22,591	20,559	75,355	65,234
Increase (Decrease) in Net Position Before Transfers	62,759	33,285	60,867	38,830	123,626	72,115
Transfers	(252)	(12)	252	12	-	-
Increase (Decrease) in Net Position	62,507	33,273	61,119	38,842	123,626	72,115
Net Position - Beginning of Year	298,310	265,130	430,466	391,633	728,776	656,763
Prior Period Adjustment	-	(93)	-	(9)	-	(102)
Net Position - End of Year	<u>\$ 360,817</u>	<u>\$ 298,310</u>	<u>\$ 491,585</u>	<u>\$ 430,466</u>	<u>\$ 852,402</u>	<u>\$ 728,776</u>

Governmental Activities – Revenues

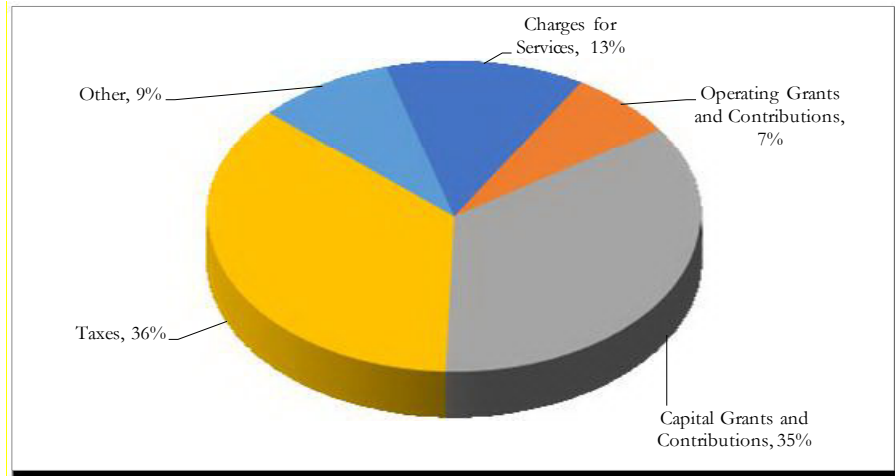
During 2023, the Town's primary revenue sources for governmental operations included taxes, accounting for 36% of total governmental revenues. In addition, capital grants and contributions represented 35% of total governmental revenues while charges for services made up 13%. Program revenues of \$63 million were \$10.2 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 \$115 million had an increase of \$37.6 million, or 48.2%, compared to 2022. Contributing to the increase was sales, use, and property tax, which increased a total of \$4.3 million, or 11.9% compared to 2022.

The following chart provides the breakdown of revenues by source for 2023:

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

Revenues by Source – Governmental Activities



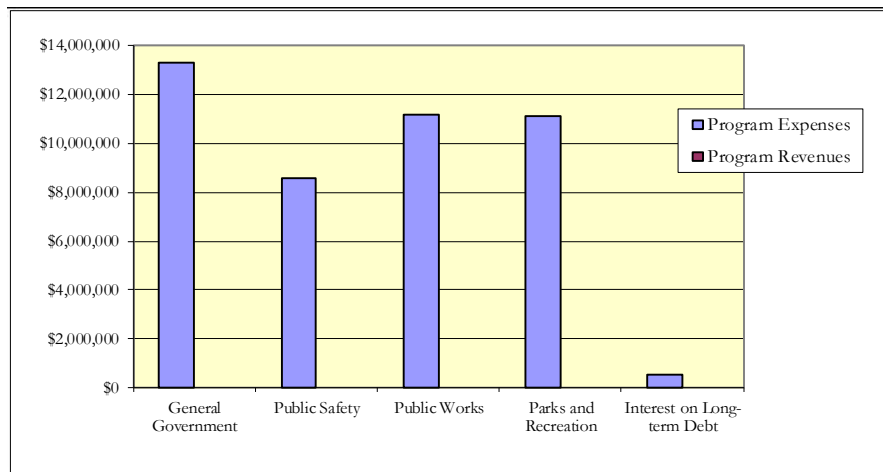
Governmental Activities – Expenses

Total governmental activities expenses were \$52.8 million in 2023, an increase of \$8.1 million, or 18.1%, compared to 2022. The increase in expenses was due to the following:

- Parks and Recreation expenses increased \$2.1 million, or 18.7%, compared to 2022. This reflects the rebound of parks and recreation activities to pre-pandemic levels and continued growth of the Town.
- All other expenses increased \$6.0 million, or 13.5%, compared to 2022. This reflects the additional staff and service level needed to support a growing town.

The following chart provides a comparison of 2023 expenses by function compared to the related program revenues for governmental activities:

Expenses and Offsetting Program Revenues – Governmental Activities



**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

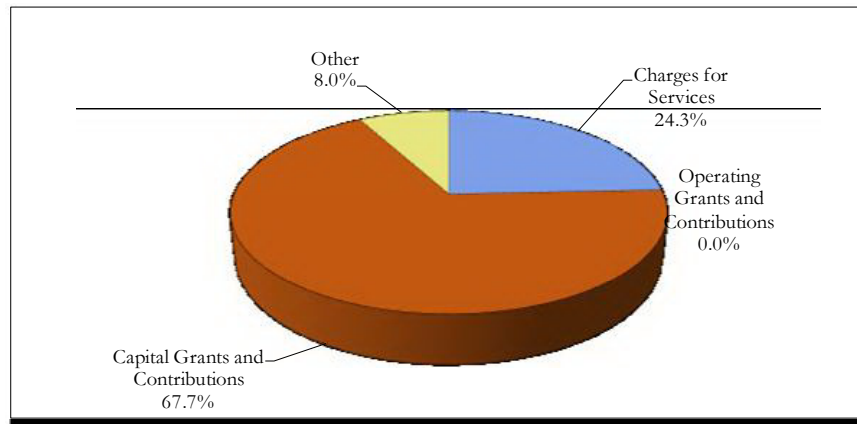
Business-Type Activities – Revenues

Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$20.3 million for business-type activities represented 24.3% of total 2023 business-type revenues.

The other primary source of revenue, representing 67.7% 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 \$56.5 million in 2023, an increase of \$19.6 million, or 53.0%, compared to 2022. This is due to a decrease in tap fees associated with new building development when compared to the prior year.

The following chart provides the breakdown of revenues by source for business-type activities for 2023:

Revenues by Source – Business-Type Activities



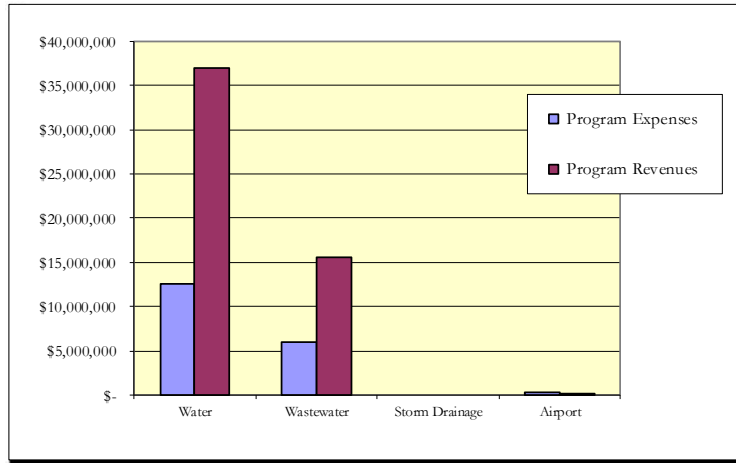
Business-Type Activities – Expenses

Business-type expenses were \$22.6 million in 2023, an increase of \$2.0 million, or 9.8%, compared to 2022. Contributing to this increase were increased personnel, operations and maintenance, and depreciation expenses in the Water, Wastewater, and Storm Drainage funds, all reflecting the continued growth of the Town.

The following chart provides a comparison of 2023 expenses by function compared to the related program revenues for business-type activities:

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

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 \$128.8 million. Of that amount, \$0.8 million was nonspendable, \$81.1 million was restricted, \$0.4 million was committed, \$4.6 million was assigned and \$42.0 million was unassigned fund balance.

TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023

The General Fund, the primary operating fund of the Town, had a fund balance at December 31, 2023, of \$53.0 million, of which \$0.8 million was nonspendable, \$4.8 million was restricted, \$4.6 million was assigned and \$42.8 million, was unassigned.

As just noted, the General Fund has \$0.8 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 3.D. on page 57 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 \$42.8 million represents 76% of General Fund 2023 actual operating expenditures and 89% of 2024 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 2024 budgeted expenditures, the required reserve is \$11 million.

Total fund balance of the General Fund increased \$4.2 million for the current year. Total General Fund revenues of \$56.4 million increased \$8.1 million, or 17%, compared to 2022, primarily reflecting strong growth in sales, use and property taxes.

General Fund expenditures of \$56.4 million increased approximately \$8.7 million, or 18%, compared to the prior year. This is mainly driven by General Fund capital expenditures of \$12.8 million, which increased \$0.4 million, or 31%, compared to the prior year.

In 2023, the Town had four 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 revenues of the Grants Fund come from grants awarded to the Town from federal, state, and local agencies.

The fund balance of the Transportation Impact Fund increased \$4.5 million, or 21% when compared to the prior year. This is due to continued inflows of impact fee revenue related to development, while there was only one major capital project that occurred in 2023. Accumulated fund balance will be used to acquire and improve transportation infrastructure in the coming years.

The fund balance of the Parks Improvement Fund increased by \$3.5 million, or 40% compared to the prior year. Continued inflows of impact fees from development were offset by expenditures associated with capital improvements to park infrastructure.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

The remaining major governmental fund in 2023 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 incentive agreements, legal and consulting fees to identify various urban renewal areas along with other related activities, and allocated personnel costs of Town support staff. In 2023, the fund balance of the URA decreased by \$1.2 million, or 10%, compared to the prior year. This is due to the increase of capital projects in the Colliers Hill area related to growth in the area, as well as an increase in capital projects in the Nine Mile area as development was completed in that area and businesses opened mid- year.

A total of \$27.0 million in fund balances are restricted or committed for future capital outlays and similar purposes in the other (nonmajor) governmental funds. See Note 1.D. starting on page 43 and Note 3.D. starting on page 57 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, 2023, was \$491.6 million, of which \$142.6 million was unrestricted net position. Total net position increased \$61.1 million over the prior year, with unrestricted net position increasing \$15.2 million. The \$61.1 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 \$33.5 million. In the Wastewater Fund, net position increased \$16.5 million. In the Storm Drainage and Airport Funds, net position increased \$11.1 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

The 2023 General Fund original budget reflected revenues of \$48.6 million and expenditures of \$52.9 million. The final budget provided for a deficiency, or use of fund balance, of \$15.3 million, reflecting revenues of \$41.4 million, expenditures of \$57.2 million, and other financing sources of \$431,000. The expenditure budget increased \$21 million to \$57.2 million in the final budget. The primary expenditure changes were related to capital construction projects that were started in 2022 but rolled forward to 2023 in the first supplemental budget appropriation.

Actual results for 2023 in the General Fund was a surplus of \$0.3 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, 2023, for its governmental and business-type activities amounted to \$643.2 million, a net increase of \$91.5 million from December 31, 2022. The increase in capital assets was the result of \$27 million in Town-funded additions and \$27 million in infrastructure constructed by developers and contributed to the Town, partially offset by depreciation.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

**Capital Assets
December 31, 2023 and 2022
(Net of Accumulated Depreciation)
(In Thousands)**

	Governmental Activities		Business-Type Activities		Total Primary Government	
	2023	2022	2023	2022	2023	2022
Land	\$ 40,944	\$ 30,869	\$ 6,562	\$ 6,562	\$ 47,506	\$ 37,431
Water rights	-	-	84,413	84,413	84,413	84,413
Buildings	29,405	29,108	12,346	723	41,751	29,831
Improvements Other Than Buildings	159,420	120,158	203,388	179,594	362,808	299,752
Machinery, Equipment, and Vehicles	3,456	3,469	2,908	2,211	6,364	5,680
Construction in Progress	12,155	13,851	85,501	78,597	97,656	75,888
Leased assets	2,328	1,654	348	478	2,676	2,132
Total Capital Assets	<u>\$ 247,708</u>	<u>\$ 199,109</u>	<u>\$ 395,466</u>	<u>\$ 352,578</u>	<u>\$ 643,174</u>	<u>\$ 535,127</u>

Major capital improvements during the fiscal year ended December 31, 2023, included the following:

- Governmental Activities (total additions - \$57 million)
 - Developer-constructed infrastructure – primarily streets (\$27 million)
 - Page Property (\$6.7 million)
 - Coal Creek Park (\$8.8 million)
 - Various street improvements (\$2.1 million)
- Business-Type Activities (total additions - \$50 million)
 - Expansion of the wastewater treatment plant (\$11.6 million)
 - Developer-constructed infrastructure (\$27.9 million)
 - Turbine at the water treatment facility (\$2.0 million)

Additional information on the Town's capital assets can be found in Note 3.C. starting on page 55 of this report.

Long-Term Debt

At the end of 2023, the Town had \$68.9 million in total outstanding long-term debt, a decrease of \$4.0 million from December 31, 2022. Of this amount, \$9.8 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 the prior year, resulting in a rating increase from Aa3 to Aa2. The wastewater system revenue bonds were increased from A+ to AA- by S&P Global in the prior year.

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 \$171 million.

**TOWN OF ERIE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2023**

During 2023, the Town implemented GASB Statement No. 96, *SB/ITAs*. This changed the presentation of the Town's subscription-based technology arrangements and the related liability. This restatement had no impact on net position.

Additional information on the Town's long-term debt can be found in Note 3.E. starting on page 58 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 2023, the Town saw increased financial performance as the area continues to see rapid development and growth. The 2024 budget was approved by the Town Council in November 2023. The General Fund, the Town's primary operating fund, had a budgeted deficit, or use of fund balance, of \$10 million, related primarily to one-time capital costs. 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.

The Town completed payments and closed two Revenue Bonds in 2023, including Water Revenue Refunding Bonds for 2009 and 2011. The Town also completed the purchase of the Page Property in December of 2023, which includes a house that will be converted into office space for Parks and Open Space staff. This purchase included a significant parcel to be developed for affordable housing in future years.

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

TOWN OF ERIE, COLORADO
STATEMENT OF NET POSITION
DECEMBER 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Pooled Cash and Investments	\$ 120,873,003	\$ 142,765,560	\$ 263,638,563
Restricted Cash and Investments	11,673,455	3,012,582	14,686,037
Receivables	20,911,477	2,084,758	22,996,235
Prepaid Items and Other Assets	30,100	442,273	472,373
Capital Assets Not Being Depreciated:			
Land and Water Rights	40,944,107	90,975,006	131,919,113
Construction in Progress	12,154,694	85,501,647	97,656,341
Capital Assets and Right-to-Use Assets, Net of Accumulated Depreciation and Amortization	194,609,604	218,989,287	413,598,891
Total Assets	401,196,440	543,771,113	944,967,553
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refundings	256,447	2,213,099	2,469,546
Pension Related Items	2,871,003	-	2,871,003
Total Deferred Outflows of Resources	3,127,450	2,213,099	5,340,549
LIABILITIES			
Accounts Payable	4,698,759	3,058,698	7,757,457
Accrued Interest Payable	13,667	230,418	244,085
Accrued Wages Payable	873,239	107,064	980,303
Other Liabilities	1,969,061	261,154	2,230,215
Unearned Revenue	2,324,361	67,154	2,391,515
Noncurrent Liabilities:			
Due Within One Year	2,894,416	3,321,355	6,215,771
Due in More Than One Year	15,380,293	47,353,930	62,734,223
Net Pension Liability	427,970	-	427,970
Total Liabilities	28,581,766	54,399,773	82,981,539
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	12,600,514	-	12,600,514
Lease Related	1,918,809	-	1,918,809
Pension Related Items	405,902	-	405,902
Total Deferred Inflows of Resources	14,925,225	-	14,925,225
NET POSITION			
Net Investment in Capital Assets	232,640,304	347,534,533	580,174,837
Restricted:			
Capital Projects	68,682,972	-	68,682,972
Parks and Open Space	6,653,622	-	6,653,622
Operations and Maintenance Reserves	-	1,432,725	1,432,725
Emergencies	2,284,348	-	2,284,348
Unrestricted	50,555,653	142,617,181	193,172,834
Total Net Position	\$ 360,816,899	\$ 491,584,439	\$ 852,401,338

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023**

						Net Revenue (Expense) and Changes in Net Position Primary Government		
Functions/Programs	Expenses	Program Revenues				Governmental Activities	Business-Type Activities	Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Total			
PRIMARY GOVERNMENT								
Governmental Activities:								
General Government	\$ 16,465,989	\$ 8,138,575	\$ 5,030,546	\$ -	\$ 13,169,121	\$ (3,296,868)	\$ -	\$ (3,296,868)
Public Safety	9,778,482	141,988	19,135	463,637	624,760	(9,153,722)	-	(9,153,722)
Public Works	12,769,086	3,154,201	1,922,784	35,677,363	40,754,348	27,985,262	-	27,985,262
Parks and Recreation	13,188,269	3,033,505	664,594	4,836,210	8,534,309	(4,653,960)	-	(4,653,960)
Interest on Long-Term Debt	563,325	-	-	-	-	(563,325)	-	(563,325)
Total Governmental Activities	52,765,151	14,468,269	7,637,059	40,977,210	63,082,538	10,317,387	-	10,317,387
Business-Type Activities:								
Water	13,181,879	11,571,276	-	29,881,001	41,452,277	-	28,270,398	28,270,398
Wastewater	7,190,086	6,800,914	-	15,629,173	22,430,087	-	15,240,001	15,240,001
Storm Drainage	1,932,205	1,905,894	-	10,998,996	12,904,890	-	10,972,685	10,972,685
Airport	287,505	6,507	-	-	6,507	-	(280,998)	(280,998)
Total Business-Type Activities	22,591,675	20,284,591	-	56,509,170	76,793,761	-	54,202,086	54,202,086
Total Primary Government	<u>\$ 75,356,826</u>	<u>\$ 34,752,860</u>	<u>\$ 7,637,059</u>	<u>\$ 97,486,380</u>	<u>\$ 139,876,299</u>	10,317,387	54,202,086	64,519,473
GENERAL REVENUES								
Property Taxes						9,387,987	-	9,387,987
Sales and Use Taxes						30,107,123	-	30,107,123
Franchise Taxes						1,246,032	-	1,246,032
Specific Ownership Taxes						368,576	-	368,576
Investment Earnings						6,196,019	6,543,125	12,739,144
Miscellaneous						5,136,540	121,125	5,257,665
Transfers In (Out)						(252,340)	252,340	-
Total General Revenues						<u>52,189,937</u>	<u>6,916,590</u>	<u>59,106,527</u>
CHANGES IN NET POSITION						62,507,324	61,118,676	123,626,000
Net Position - Beginning of Year						<u>298,309,575</u>	<u>430,465,763</u>	<u>728,775,338</u>
NET POSITION - END OF YEAR						<u>\$ 360,816,899</u>	<u>\$ 491,584,439</u>	<u>\$ 852,401,338</u>

See accompanying Notes to Financial Statements.

**TOWN OF ERIE, COLORADO
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023**

	General Fund	Transportation Impact Fund	Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Pooled Cash and Investments	\$ 53,724,210	\$ 26,171,852	\$ 12,257,544	\$ -	\$ 28,714,221	\$ 120,867,827
Restricted Cash and Investments	-	-	-	11,673,455	-	11,673,455
Receivables	13,703,359	45,201	15,296	3,080,181	4,067,440	20,911,477
Advances to Other Funds	824,414	-	-	-	-	824,414
Prepaid Items and Other Assets	30,100	-	-	-	-	30,100
Total Assets	<u>\$ 68,282,083</u>	<u>\$ 26,217,053</u>	<u>\$ 12,272,840</u>	<u>\$ 14,753,636</u>	<u>\$ 32,781,661</u>	<u>\$ 154,307,273</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ 3,147,775	\$ 118,450	\$ 94,211	\$ 253,008	\$ 1,000,341	\$ 4,613,785
Wages Payable	873,239	-	-	-	-	873,239
Other Liabilities	1,969,061	-	-	-	-	1,969,061
Advances from Other Funds	-	-	-	824,414	-	824,414
Unearned Revenue	350,287	12,338	8,120	-	1,953,616	2,324,361
Total Liabilities	<u>6,340,362</u>	<u>130,788</u>	<u>102,331</u>	<u>1,077,422</u>	<u>2,953,957</u>	<u>10,604,860</u>
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	6,680,853	-	-	3,070,987	2,848,674	12,600,514
Lease Related	1,918,809	-	-	-	-	1,918,809
Unavailable Fund Resources - Grants	343,944	-	-	-	2,923	346,867
Total Deferred Inflows of Resources	<u>8,943,606</u>	<u>-</u>	<u>-</u>	<u>3,070,987</u>	<u>2,851,597</u>	<u>14,866,190</u>
FUND BALANCES						
Nonspendable:						
Interfund Advances - Noncurrent	824,414	-	-	-	-	824,414
Prepaid Items	30,100	-	-	-	-	30,100
Restricted for:						
Capital Projects	1,648,000	26,086,265	12,170,509	11,429,641	20,791,668	72,126,083
Parks and Open Space	856,132	-	-	-	5,797,490	6,653,622
Emergency Reserves	2,284,348	-	-	-	-	2,284,348
Committed to:						
Cemetery Operations	-	-	-	-	386,949	386,949
Assigned to:						
Purchases on Order	4,575,086	-	-	-	-	4,575,086
Unassigned	42,780,035	-	-	(824,414)	-	41,955,621
Total Fund Balances	<u>52,998,115</u>	<u>26,086,265</u>	<u>12,170,509</u>	<u>10,605,227</u>	<u>26,976,107</u>	<u>128,836,223</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 68,282,083</u>	<u>\$ 26,217,053</u>	<u>\$ 12,272,840</u>	<u>\$ 14,753,636</u>	<u>\$ 32,781,661</u>	<u>\$ 154,307,273</u>

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
RECONCILIATION OF THE GOVERNMENT FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2023

RECONCILIATION TO THE STATEMENT OF NET POSITION

Total Fund Balances - Governmental Funds	\$ 128,836,223
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The amounts reported as governmental activities on the statement of net position are different because:

Capital assets utilized in governmental activities are not financial resources and, therefore, are not reported in the fund financial statements.	244,041,320
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Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	346,867
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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	(13,895,000)
Leases Payable	(45,173)
SBITAs Payable	(256,771)
Unamortized Bond Issuance Premium and Discounts, Net	(355,335)
Unamortized Deferred Refunding Loss	256,447
Accrued Interest Payable	(13,667)
Compensated Absences	(1,408,330)
Other Noncurrent Liabilities	(450,707)
Total Long-Term Liabilities and Related Items	(16,168,536)

Net pension asset (liability) is not available to pay for current expenditures and, therefore, is not reported in the funds.	(427,970)
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Deferred outflows of resources related to pensions used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Change in Investment Earnings	968,483
Changes in Assumptions	548,287
Change in Experience	926,406
Contributions Subsequent to the Measurement Date	426,232
Change in Proportionate Share	1,595
Total Deferred Outflows of Resources	2,871,003

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 Experience	(52,531)
Change in Proportionate Share	(353,371)
Total Deferred Inflows of Resources	(405,902)

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.

	1,723,894
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Net Position of Governmental Activities as Reported on the Statement of Net Position	\$ 360,816,899
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See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	General Fund	Transportation Impact Fund	Parks Improvement	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 36,017,753	\$ -	\$ -	\$ 2,843,348	\$ 2,248,617	\$ 41,109,718
Intergovernmental	2,007,689	-	-	-	6,657,744	8,665,433
Licenses and Permits	3,752,246	-	-	-	-	3,752,246
Fees and Charges for Services	10,486,352	-	-	19,258	68,425	10,574,035
Fines and Forfeitures	141,988	-	-	-	-	141,988
Capital Contributions and Fees	275,969	4,108,003	3,092,814	-	5,889,984	13,366,770
Investment Earnings	2,467,527	1,148,741	475,255	592,412	1,512,084	6,196,019
Miscellaneous	1,298,259	-	-	-	13,125	1,311,384
Total Revenues	56,447,783	5,256,744	3,568,069	3,455,018	16,389,979	85,117,593
EXPENDITURES						
Current Operating:						
General Government	14,293,383	-	-	1,676,880	33,203	16,003,466
Public Safety	9,152,782	-	-	-	13,455	9,166,237
Public Works	8,273,082	34,441	-	-	20,605	8,328,128
Parks and Recreation	10,311,056	-	-	-	211,637	10,522,693
Capital Outlay	12,779,835	965,646	416,077	2,840,837	10,892,070	27,894,465
Debt Service:						
Principal	1,243,646	-	-	-	-	1,243,646
Interest	385,883	-	-	164,000	-	549,883
Total Expenditures	56,439,667	1,000,087	416,077	4,681,717	11,170,970	73,708,518
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,116	4,256,657	3,151,992	(1,226,699)	5,219,009	11,409,075
OTHER FINANCING SOURCES (USES)						
Transfers In	1,475,123	257,751	305,410	-	-	2,038,284
Transfers Out	(1,290,000)	-	-	-	(2,467,405)	(3,757,405)
SBITA Proceeds	332,028	-	-	-	-	332,028
Sale of Capital Assets	120,843	-	-	-	-	120,843
Insurance Recoveries	3,597,113	-	-	-	-	3,597,113
Total Other Financing Sources (Uses)	4,235,107	257,751	305,410	-	(2,467,405)	2,330,863
NET CHANGES IN FUND BALANCES	4,243,223	4,514,408	3,457,402	(1,226,699)	2,751,604	13,739,938
Fund Balances - Beginning of Year	48,754,892	21,571,857	8,713,107	11,831,926	24,224,503	115,096,285
FUND BALANCES - END OF YEAR	<u>\$ 52,998,115</u>	<u>\$ 26,086,265</u>	<u>\$ 12,170,509</u>	<u>\$ 10,605,227</u>	<u>\$ 26,976,107</u>	<u>\$ 128,836,223</u>

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
RECONCILIATION OF THE STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED DECEMBER 31, 2023

RECONCILIATION TO THE STATEMENT OF ACTIVITIES

Net Changes in Fund Balances - Governmental Funds \$ 13,739,938

The amounts reported as governmental activities on the statement of activities are different because:

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 and amortization expense.

Capital Outlays	27,894,465
Depreciation and Amortization Expense	<u>(7,200,900)</u>
Excess of Capital Outlays Over Depreciation	20,693,565

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.	27,061,767
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Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(479,701)
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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.	1,243,646
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net Book Value of Disposed Assets	(48,070)
Change in Accrued Interest Payable	31,617
Change in Accrued Compensated Absences	11,747
Amortization of Premiums, Discounts, Deferred Refunding Losses, and Bond Insurance Premiums	13,025
Pension Expense	<u>138,969</u>
Total Expenses Not Requiring Current Resources	147,288

Governmental Funds report proceeds from borrowings as other financing sources. However, in the statement of net position these proceeds are reflected as debt obligations.	(332,028)
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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.	<u>432,849</u>
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Change in Net Position of Governmental Activities as Reported on the Statement of Activities	<u><u>\$ 62,507,324</u></u>
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**TOWN OF ERIE, COLORADO
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 27,665,000	\$ 31,825,000	\$ 36,017,753	\$ 4,192,753
Intergovernmental	1,523,000	1,523,000	2,007,689	484,689
Licenses and Permits	2,671,500	2,671,500	3,752,246	1,080,746
Fees and Charges for Services	10,420,838	10,420,838	10,486,352	65,514
Fines and Forfeitures	190,000	190,000	141,988	(48,012)
Investment Earnings	325,000	325,000	2,467,527	2,142,527
Miscellaneous	873,045	918,045	1,574,228	656,183
Total Revenues	43,668,383	47,873,383	56,447,783	8,574,400
EXPENDITURES				
Current Operating:				
General Government:				
Legislative	231,238	253,638	283,872	(30,234)
Town Administration	6,421,900	7,441,079	7,265,839	175,240
Community Development	3,241,249	4,694,786	3,974,027	720,759
Finance	1,880,920	2,000,017	2,189,109	(189,092)
Central Charges	656,220	791,958	580,536	211,422
Public Safety	9,639,502	9,416,439	9,152,782	263,657
Public Works	9,679,363	9,790,106	8,273,082	1,517,024
Parks and Recreation	9,791,733	10,247,749	10,311,056	(63,307)
Capital Outlay	6,145,513	21,010,395	12,779,835	8,230,560
Debt Service:				
Principal	1,110,000	1,110,000	1,243,646	(133,646)
Interest	379,413	379,413	385,883	(6,470)
Total Expenditures	49,177,051	67,135,580	56,439,667	10,695,913
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,508,668)	(19,262,197)	8,116	19,270,313
OTHER FINANCING SOURCES (USES)				
Transfers In	567,000	2,303,367	1,475,123	(828,244)
Transfers Out	(933,100)	(1,392,620)	(1,290,000)	102,620
SBITA Proceeds	-	-	332,028	332,028
Sale of Capital Assets	-	-	120,843	120,843
Insurance Recoveries	-	-	3,597,113	3,597,113
Total Other Financing Sources (Uses)	(366,100)	910,747	4,235,107	3,324,360
NET CHANGES IN FUND BALANCE	<u>\$ (5,874,768)</u>	<u>\$ (18,351,450)</u>	4,243,223	<u>\$ 22,594,673</u>
Fund Balance - Beginning of Year			48,754,892	
FUND BALANCE - END OF YEAR			<u>\$ 52,998,115</u>	

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
 YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Taxes	\$ 4,095,708	\$ 4,420,708	\$ 2,843,348	\$ (1,577,360)
Fees and Charges for Services	1,500	1,500	19,258	17,758
Investment Earnings	-	-	592,412	592,412
Total Revenues	4,097,208	4,422,208	3,455,018	(967,190)
EXPENDITURES				
Current Operating:				
General Government	2,168,320	2,168,320	1,676,880	491,440
Capital Outlay	-	3,000,000	2,840,837	159,163
Debt Service:				
Interest	164,000	164,000	164,000	-
Total Expenditures	2,332,320	5,332,320	4,681,717	650,603
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,764,888</u>	<u>(910,112)</u>	<u>(1,226,699)</u>	<u>(316,587)</u>
NET CHANGES IN FUND BALANCE	<u>\$ 1,764,888</u>	<u>\$ (910,112)</u>	<u>(1,226,699)</u>	<u>\$ (316,587)</u>
Fund Balance - Beginning of Year			<u>11,831,926</u>	
FUND BALANCE - END OF YEAR			<u>\$ 10,605,227</u>	

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023

	Business-Type Activities				Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds	Total Enterprise Funds
					Internal Service Fund ⁽¹⁾
ASSETS					
Current Assets:					
Pooled Cash and Investments	\$ 111,359,435	\$ 28,118,027	\$ 3,082,676	\$ 205,422	\$ 142,765,560
Restricted Cash and Investments	3,012,582	-	-	-	3,012,582
Receivables	998,617	844,063	237,569	4,509	2,084,758
Prepaid Items	407,538	34,735	-	-	442,273
Total Current Assets	115,778,172	28,996,825	3,320,245	209,931	148,305,173
Noncurrent Assets:					
Capital Assets:					
Construction in Progress	44,075,955	33,153,455	8,068,988	203,249	85,501,647
Land and Water Rights	90,259,984	59,022	63,705	592,295	90,975,006
Buildings, Property, and Equipment	154,102,404	87,545,939	56,623,727	6,905,426	305,177,496
Accumulated Depreciation	(48,488,857)	(24,315,583)	(9,618,687)	(4,113,325)	(86,536,452)
Total Capital Assets, Net	239,949,486	96,442,833	55,137,733	3,587,645	395,117,697
Right-to-Use Assets:					
Leased Vehicles and Equipment	490,455	45,063	57,360	-	592,878
Accumulated Amortization	(206,533)	(15,918)	(22,184)	-	(244,635)
Total Right-to-Use Assets, Net	283,922	29,145	35,176	-	348,243
Total Noncurrent Assets	240,233,408	96,471,978	55,172,909	3,587,645	395,465,940
Total Assets	356,011,580	125,468,803	58,493,154	3,797,576	543,771,113
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Charges on Refunding	742,801	1,470,298	-	-	2,213,099
Total Deferred Outflows of Resources	742,801	1,470,298	-	-	2,213,099
LIABILITIES					
Current Liabilities:					
Accounts Payable	1,267,468	1,521,292	259,105	10,833	3,058,698
Accrued Interest Payable	181,166	46,361	2,891	-	230,418
Wages Payable	60,680	27,661	18,723	-	107,064
Other Liabilities	261,154	-	-	-	261,154
Unearned Revenue	53,424	13,730	-	-	67,154
Compensated Absences	68,873	31,386	21,249	-	121,508
Current Portion of Long-Term Debt:					
Certificates of Participation Payable	829,508	-	-	-	829,508
Loans Payable	-	146,405	14,369	-	160,774
Bonds Payable	1,485,669	620,000	-	-	2,105,669
Leases Payable	89,024	6,186	8,686	-	103,896
Total Current Liabilities	4,296,966	2,413,021	325,023	10,833	7,045,843
Noncurrent Liabilities:					
Compensated Absences	23,706	10,803	7,314	-	41,823
Long-Term Debt, Net of Unamortized Premiums and Discounts:					
Certificates of Participation Payable	19,072,586	-	-	-	19,072,586
Loans Payable	-	822,410	178,339	-	1,000,749
Bonds Payable	13,137,535	13,839,767	-	-	26,977,302
Leases Payable	216,177	23,330	21,963	-	261,470
Total Noncurrent Liabilities	32,450,004	14,696,310	207,616	-	47,353,930
Total Liabilities	36,746,970	17,109,331	532,639	10,833	54,399,773
NET POSITION					
Net Investment in Capital Assets	208,192,509	81,061,820	54,692,559	3,587,645	347,534,533
Restricted:					
Operations and Maintenance Reserves	-	1,432,725	-	-	1,432,725
Unrestricted	111,814,902	27,335,225	3,267,956	199,098	142,617,181
Total Net Position	\$ 320,007,411	\$ 109,829,770	\$ 57,960,515	\$ 3,786,743	\$ 491,584,439

⁽¹⁾ Fleet and Equipment Acquisition Fund

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities				Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds	Total Enterprise Funds
					Internal Service Fund ⁽¹⁾
OPERATING REVENUES					
Charges for Services	\$ 11,571,276	\$ 6,800,914	\$ 1,905,894	\$ 6,507	\$ 20,284,591
OPERATING EXPENSES					
Personnel Services	1,182,715	873,913	558,423	-	2,615,051
Operations and Maintenance	6,358,116	3,616,417	300,162	22,113	10,296,808
Depreciation and Amortization	4,205,967	2,109,250	1,067,051	265,392	7,647,660
Total Operating Expenses	11,746,798	6,599,580	1,925,636	287,505	20,559,519
OPERATING INCOME (LOSS)	(175,522)	201,334	(19,742)	(280,998)	(274,928)
NONOPERATING REVENUES (EXPENSES)					
Investment Earnings	5,087,793	1,233,125	213,630	8,577	6,543,125
Other Nonoperating Income	67,595	-	-	53,530	121,125
Interest Expense	(1,435,081)	(590,506)	(6,569)	-	(2,032,156)
Gain (Loss) on Disposition of Capital Assets	5,750	-	-	-	5,750
Total Nonoperating Revenues (Expenses)	3,726,057	642,619	207,061	62,107	4,637,844
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	3,550,535	843,953	187,319	(218,891)	4,362,916
Capital Contributions and Grants	29,875,251	15,629,173	10,998,996	-	56,503,420
Transfers In	57,692	8,098	-	186,550	252,340
CHANGES IN NET POSITION	33,483,478	16,481,224	11,186,315	(32,341)	61,118,676
Net Position - Beginning of Year	286,523,933	93,348,546	46,774,200	3,819,084	430,465,763
NET POSITION - END OF YEAR	<u>\$ 320,007,411</u>	<u>\$ 109,829,770</u>	<u>\$ 57,960,515</u>	<u>\$ 3,786,743</u>	<u>\$ 491,584,439</u>

⁽¹⁾ Fleet and Equipment Acquisition Fund

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities					Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund ⁽¹⁾
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from Customers and Users	\$ 11,753,437	\$ 6,832,953	\$ 1,907,140	\$ 56,308	\$ 20,549,838	\$ -
Payments to Employees	(1,142,298)	(875,519)	(574,288)	-	(2,592,105)	-
Payments to Suppliers	(7,528,463)	(4,455,176)	(516,758)	(11,280)	(12,511,677)	(75,112)
Net Cash Provided (Used) by Operating Activities	3,082,676	1,502,258	816,094	45,028	5,446,056	(75,112)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Operating Grants	154,810	-	-	-	154,810	-
Transfer from Other Funds	57,692	8,098	-	186,550	252,340	1,466,781
Cash Flows Provided (Used) by Noncapital Financing Activities	212,502	8,098	-	186,550	407,150	1,466,781
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Receipts from Capital Grants	-	-	-	-	-	-
Acquisition and Construction of Capital Assets	(15,755,610)	(3,178,860)	(2,979,363)	(203,249)	(22,117,082)	(1,181,822)
Proceeds from Sales of Capital Assets	5,750	-	-	-	5,750	-
Principal Paid on Capital Debt	(2,296,337)	(741,204)	(22,145)	-	(3,059,686)	(363,906)
Interest Paid on Capital Debt	(1,480,624)	(598,220)	(6,780)	-	(2,085,624)	146,009
Capital Contributions	21,632,647	6,906,834	10,000	-	28,549,481	-
Cash Flows Provided(Used) by Capital and Related Financing Activities	2,105,826	2,388,550	(2,998,288)	(203,249)	1,292,839	(1,399,719)
CASH FLOWS FROM INVESTING ACTIVITIES						
Earnings on Investments	5,018,673	1,248,309	213,158	8,577	6,488,717	-
Cash Flows Provided by Investing Activities	5,018,673	1,248,309	213,158	8,577	6,488,717	-
NET INCREASE (DECREASE) IN POOLED CASH AND INVESTMENTS	10,419,677	5,147,215	(1,969,036)	36,906	13,634,762	(8,050)
Pooled Cash and Investments - Beginning of Year	103,952,340	22,970,812	5,051,712	168,516	132,143,380	13,226
POOLED CASH AND INVESTMENTS - END OF YEAR	<u>\$ 114,372,017</u>	<u>\$ 28,118,027</u>	<u>\$ 3,082,676</u>	<u>\$ 205,422</u>	<u>\$ 145,778,142</u>	<u>\$ 5,176</u>

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023

	Business-Type Activities					Governmental Activities
	Water Fund	Wastewater Fund	Storm Drainage Operating Fund	Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service Fund ⁽¹⁾
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES						
Operating Income (Loss)	\$ (175,522)	\$ 201,334	\$ (19,742)	\$ (280,998)	\$ (274,928)	\$ (904,224)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	4,205,967	2,109,250	1,067,051	265,392	7,647,660	777,392
Other Income	67,595	-	-	53,530	121,125	-
(Increase) Decrease in:						
Accounts Receivable	114,566	32,039	1,246	(3,729)	144,122	-
Prepaid Items	-	-	-	-	-	-
Increase (Decrease) in:						
Accounts Payable	(1,115,715)	(838,759)	(216,596)	10,833	(2,160,237)	51,720
Wages Payable	22,669	(2,217)	(13,764)	-	6,688	-
Compensated Absences Payable	17,748	611	(2,101)	-	16,258	-
Other Liabilities	(54,632)	-	-	-	(54,632)	-
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,082,676</u>	<u>\$ 1,502,258</u>	<u>\$ 816,094</u>	<u>\$ 45,028</u>	<u>\$ 5,446,056</u>	<u>\$ (75,112)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES						
Capital Assets Acquired Through Contributions	<u>\$ 8,242,604</u>	<u>\$ 8,722,339</u>	<u>\$ 10,998,996</u>	<u>\$ -</u>	<u>\$ 27,963,939</u>	<u>\$ -</u>
Capital Assets Acquired Through Leases	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

⁽¹⁾ Fleet and Equipment Acquisition Fund

See accompanying Notes to Financial Statements.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Erie, Colorado (the Town), incorporated in 1874, is a statutory municipality governed by a council-manager form of government through a mayor and six-member Town Council. The Town provides the following services: police, public works, parks and recreation, community development, administration, finance, human resources, environmental services, utilities, 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 Town Council, 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.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

A. Reporting Entity (Continued)

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 (IRC). 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 as the governing body is substantially the same as the governing body of the Town and there is a financial benefit relationship between the Town and the ECCF.

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.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

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:

General Fund

The General 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.

Transportation Impact Fund

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

Parks Improvement Fund

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

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation
(Continued)**

The Town of Erie Urban Renewal Authority is described above in 1.A.

Proprietary Funds

Proprietary Funds, which include enterprise funds and internal service funds - distinguish operating revenues and expenses from nonoperating 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:

Water Fund

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

Wastewater Fund

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

Storm Drainage Operating Fund

The Storm Drainage Operating Fund accounts for the charges for services revenue from impact fees which are transferred to cover the proportionate share of capital projects related to growth.

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.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. For purposes of the statement of cash flows, the Town's proprietary funds consider cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition to be equivalents.

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 Governmental Accounting Standards Board (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 Council 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, 2023. 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.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

2. Receivables and Payables (Continued)

Lease receivables result when the Town leases certain assets, primarily agricultural land and cellular antenna sites, to various third parties. Lease receivables are recognized at the commencement of the lease term, along with a deferred inflow of resources, with certain exceptions for short-term leases and leases that transfer ownership of the underlying asset and is measured at the present value of the lease payments expected to be received during the lease term. See Note 1.D.12 for more information.

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 and Right-to-Use 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.

Right-to-use assets under lease arrangements are measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. The related amortization is included with depreciation expense in the accompanying financial statements.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

5. Capital and Right-to-Use Assets (Continued)

The right to use Subscription-Based Information Technology Arrangement (SBITA) assets are initially measured at an amount equal to the present value of the SBITA liability plus any SBITA payments made at the start of the SBITA term, if applicable, plus capitalizable initial implementation costs at the start of the SBITA term, less any incentives received from the SBITA vendor at the start of the SBITA term. The right to use SBITA assets are amortized on a straight-line basis over the SBITA term.

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, and right-to-use assets are amortized, using the straight-line method with estimated useful lives as follows:

Buildings and Improvements	5 to 50 Years
Improvements Other Than Buildings	5 to 50 Years
Machinery and Equipment	3 to 10 Years
Vehicles	3 to 5 Years
Right-to-Use Assets	Varies*

* The shorter of the lease term or useful life of the underlying asset

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.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

7. Long-Term Obligations (Continued)

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 assets by the Town that is applicable to a future reporting period, and a deferred inflow of resources is an acquisition of net assets 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 3.F 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, reimbursement-based grants, and leases 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. Deferred inflows of resources related to leases is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. Interest revenue on the lease receivable and revenue from the deferred inflows of resources is recognized in a systematic and rational manner over the term of the lease.

The Town also reports as deferred inflows of resources certain items related to its pension plan. See Note 3.F for more information.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

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 and Net Position

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.

Nonspendable Fund Balance – This 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 – These amounts are 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 – This includes amounts that can be used only for the specific purposes imposed by formal action through ordinance of the Town Council and remains binding unless removed in the same manner.

Assigned Fund Balance – This classification is 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 Town Council, as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

10. Fund Balances and Net Position (Continued)

Unassigned Fund Balance – This 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.

Minimum Fund Balances

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.

The general fund unassigned fund balance is transferred into the capital improvements fund to support capital infrastructure projects.

All minimum fund balance policy requirements were met as of December 31, 2023.

Net position is classified in the following categories:

Net Investment in Capital Assets – This category represents the Town's capital assets net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – This category represents resources with legal or contractual obligations to spend in accordance with restrictions imposed by external third parties.

Unrestricted Net Position – This category includes all net position not invested in capital assets or restricted.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Assets, Liabilities, and Fund Equity (Continued)

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.

12. Adoption of New and Future Accounting Standards

The Town adopted the provisions of Statement No. 96, *Subscription-Based Information Technology Arrangements*, retroactive to January 1, 2023. Statement No. 96 guidance requires the government to disclose a general description of its SBITAs, which includes the basis, terms, and conditions on which variable payments not included in the measurement of the subscription liability are determined. GASB 96 is new guidance issued by the GASB which is largely based on GASB 87 and applies to subscriptions for software. The new standard will, for the first time, require a subscription asset and a corresponding liability to be recognized on the statement of financial position for any SBITA arrangements a government has with software vendors. There is no net impact on net position from the implementation of this standard.

NOTE 2 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 Manager submits to the Town Council a proposed operating budget for the fiscal year commencing on the following January 1. Study sessions and public hearings are conducted during Council 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, and the Town Manager and/or Finance Director can make transfers between departments without Council approval. Any changes between funds require Council approval. The Council made supplemental appropriations during the year, which are reflected in the final budget columns of the financial statements and schedules. The cemetery fund may be in violation of state statutes as the expenditures exceed the appropriated budget.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Deposits and Investments

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

Pooled Cash and Investments	\$ 263,638,563
Restricted Cash and Investments	14,686,037
Total	<u>\$ 278,324,600</u>

Cash and investments consist of the following:

Bank Checking Accounts	\$ 17,333,168
Investments	260,988,532
Cash on Hand	2,900
Total	<u>\$ 278,324,600</u>

As of December 31, 2023, the carrying amount of the Town's deposits was \$17,333,168.

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.

As of December 31, 2023, the Town had the following investments:

Investment Type	Rating		Fair Value	Investment Maturities		% of Total
	Moody's	S&P		Less than 1 Year	1 to 5 Years	
U.S. Treasury Notes			\$ 34,808,857	\$ 18,110,596	\$ 16,698,261	13.34%
Agency	Aaa	AA+	14,779,696	4,970,520	9,809,176	5.66%
U.S. Corporate Notes	Aaa	AA+	3,105,602	993,050	2,112,552	1.19%
Commercial Paper	P-1	A-1+	1,442,355	1,442,355	-	0.55%
BlackRock Liquidity Funds - FedFund Series	Aaa-mf	AAAm	37,200,000	37,200,000	-	14.25%
COLOTRUST PLUS+	n/a	AAAm	92,872,738	92,872,738	-	35.58%
CSAFE	n/a	AAA	2,869,448	2,869,448	-	1.10%
CSIP Liquid Portfolio	n/a	AAAm	69,868,544	69,868,544	-	26.77%
UMB MSILF Treasury Money Market	Aaa-mf	AAAm	4,041,292	4,041,292	-	1.55%
Total Fair Value			<u>\$ 260,988,532</u>	<u>\$ 232,368,543</u>	<u>\$ 28,619,989</u>	<u>100%</u>

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

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 three 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.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

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.

Fair Value of Investments (Continued)

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.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

A. Deposits and Investments (Continued)

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 and Leases Receivable

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

	General	Transportation Impact	Parks Improvement	Urban Renewal Authority	Nonmajor Governmental	Total Governmental
Governmental:						
Property Taxes	\$ 6,680,853	\$ -	\$ -	\$ 3,070,987	\$ 2,848,674	\$ 12,600,514
Sales Taxes	3,771,681	-	-	-	-	3,771,681
Other Taxes	83,174	-	-	-	-	83,174
Customers	165,705	-	-	-	-	165,705
Intergovernmental	343,944	-	-	-	1,181,385	1,525,329
Interest	91,229	32,701	15,296	9,194	37,381	185,801
Leases	1,920,757	-	-	-	-	1,920,757
Other	646,016	12,500	-	-	-	658,516
Total Receivables	<u>\$ 13,703,359</u>	<u>\$ 45,201</u>	<u>\$ 15,296</u>	<u>\$ 3,080,181</u>	<u>\$ 4,067,440</u>	<u>\$ 20,911,477</u>

	Water	Wastewater	Storm Drainage	Airport	Total Business-Type
Business-Type:					
Customers	\$ 822,077	\$ 808,441	\$ 233,611	\$ -	\$ 1,864,129
Intergovernmental	37,174	-	-	-	37,174
Interest	139,366	35,622	3,958	180	179,126
Other	-	-	-	4,329	4,329
Total Receivables	<u>\$ 998,617</u>	<u>\$ 844,063</u>	<u>\$ 237,569</u>	<u>\$ 4,509</u>	<u>\$ 2,084,758</u>

The Town leases certain assets, primarily agricultural land and cellular antenna site leases, to various third parties, expiring in 2024-2045. Payments are generally fixed monthly or annually with certain variable payments not included in the measurement of the lease receivable. The Town recognizes a lease receivable and a deferred inflow of resources in the financial statements.

At the commencement of a lease, the Town measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

B. Accounts Receivable and Leases Receivable (Continued)

The lease receivable as of December 31, 2023, is \$1,920,757. The Town recorded deferred inflows of resources for lease revenue related to leasing arrangements that occurred during the year. As of December 31, 2023, the Town recorded deferred inflows of resources of \$1,918,809.

During the year ended December 31, 2023, the Town recognized lease revenue related to its leases of \$176,619 and interest income related to its leases of \$57,429. Principal and interest on lease receivables is as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
2024	\$ 109,942	\$ 51,795
2025	87,290	53,839
2026	93,488	51,190
2027	90,555	48,354
2028	89,670	45,604
2029 - 2033	366,512	193,391
2034 - 2038	458,748	136,447
2039 - 2043	530,792	48,848
2044 - 2047	93,760	4,261
Total	<u>\$ 1,920,757</u>	<u>\$ 633,729</u>

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital and Right-to-Use Assets

Capital and Right-to-Use Lease and SBITA asset activity for Governmental Activities for the year ended December 31, 2023, was as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 13,850,722	\$ 15,777,881	\$ (17,473,909)	\$ 12,154,694
Land and Open Space	30,869,331	10,074,776	-	40,944,107
Total Capital Assets, Not Being Depreciated	44,720,053	25,852,657	(17,473,909)	53,098,801
Capital Assets, Being Depreciated:				
Buildings	40,014,875	1,327,958	-	41,342,833
Streets and Other Infrastructure	126,493,754	34,773,027	-	161,266,781
Parks and Trails	36,514,738	10,060,527	-	46,575,265
Furniture and Equipment	5,302,421	662,918	(206,948)	5,758,391
Vehicles	2,414,474	97,500	(172,601)	2,339,373
Total Capital Assets, Being Depreciated	210,740,262	46,921,930	(379,549)	257,282,643
Less: Accumulated Depreciation for:				
Buildings	(10,906,633)	(1,031,044)	-	(11,937,677)
Streets and Other Infrastructure	(29,263,694)	(3,786,477)	-	(33,050,171)
Parks and Trails	(13,587,224)	(1,784,578)	-	(15,371,802)
Furniture and Equipment	(3,002,873)	(474,355)	172,914	(3,304,314)
Vehicles	(1,244,798)	(258,818)	166,288	(1,337,328)
Total Accumulated Depreciation	(58,005,222)	(7,335,272)	339,202	(65,001,292)
Total Capital Assets, Being Depreciated, Net	152,735,040	39,586,658	(40,347)	192,281,351
Governmental Activities Capital Assets, Net	197,455,093	65,439,315	(17,514,256)	245,380,152
Right-to-Use Lease and SBITA Assets:				
Vehicles	1,880,241	951,124	(21,503)	2,809,862
Equipment	88,811	-	-	88,811
SBITAs	35,193	333,328	-	368,521
Total Right-to-Use Lease and SBITA Assets	2,004,245	1,284,452	(21,503)	3,267,194
Less: Accumulated Amortization for:				
Vehicles	(292,544)	(549,066)	13,780	(827,830)
Equipment	(22,173)	(23,789)	-	(45,962)
SBITAs	-	(65,149)	-	(65,149)
Total Accumulated Amortization	(314,717)	(638,004)	13,780	(938,941)
Total Right-to-Use Lease and SBITA Assets, Net	1,689,528	646,448	(7,723)	2,328,253
Governmental Activities Capital and Right-to-Use Lease and SBITA Assets, Net	\$ 199,144,621	\$ 66,085,763	\$ (17,521,979)	\$ 247,708,405

*As a result of implementing GASB 96, the beginning balances were restated as follows: Right-to-Use SBITA assets increased \$35,193. SBITA liabilities beginning balances of \$35,193 were also restated creating a net effect of \$0 to net position.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital and Right-to-Use Assets (Continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities:				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 78,597,137	\$ 21,411,474	\$ (14,506,964)	\$ 85,501,647
Land and Reservoirs	6,562,209	-	-	6,562,209
Water Rights	84,412,797	-	-	84,412,797
Total Capital Assets, Not Being Depreciated	169,572,143	21,411,474	(14,506,964)	176,476,653
Capital Assets, Being Depreciated:				
Buildings	936,579	11,649,893	-	12,586,472
Improvements Other Than Buildings	256,984,430	30,897,464	-	287,881,894
Machinery and Equipment	3,648,472	1,084,546	(23,888)	4,709,130
Total Capital Assets, Being Depreciated	261,569,481	43,631,903	(23,888)	305,177,496
Less: Accumulated Depreciation for:				
Buildings	(213,648)	(26,700)	-	(240,348)
Improvements Other Than Buildings	(77,391,552)	(7,103,648)	-	(84,495,200)
Machinery and Equipment	(1,437,570)	(387,222)	23,888	(1,800,904)
Total Accumulated Depreciation	(79,042,770)	(7,517,570)	23,888	(86,536,452)
Total Capital Assets, Being Depreciated, Net	182,526,711	36,114,333	-	218,641,044
Business-Type Activities Capital Assets, Net	352,098,854	57,525,807	(14,506,964)	395,117,697
Right-to-Use Assets:				
Vehicles	592,878	-	-	592,878
Total Right-to-Use Assets	592,878	-	-	592,878
Less: Accumulated Amortization for:				
Vehicles	(114,545)	(130,090)	-	(244,635)
Total Accumulated Amortization	(114,545)	(130,090)	-	(244,635)
Total Right-to-Use Assets, Net	478,333	(130,090)	-	348,243
Business Type Activities Capital and Right-to-Use Assets, Net	<u>\$ 352,577,187</u>	<u>\$ 57,395,717</u>	<u>\$ (14,506,964)</u>	<u>\$ 395,465,940</u>

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

C. Capital and Right-to-Use Assets (Continued)

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

Governmental Activities:	
General Government	\$ 381,329
Public Safety	612,245
Public Works	4,314,126
Parks and Recreation	<u>2,665,576</u>
Total Depreciation and Amortization	
Expense - Governmental Activities	<u><u>\$ 7,973,276</u></u>
Business-Type Activities:	
Water	\$ 4,205,967
Wastewater	2,109,250
Storm Drainage	1,067,051
Airport	<u>265,392</u>
Total Depreciation and Amortization	
Expense - Business-Type Activities	<u><u>\$ 7,647,660</u></u>

D. Interfund Receivables, Payables, and Transfers

There was an advance from the General Fund at December 31, 2023, to the Town's urban renewal authority (URA) for \$824,414.

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 unassigned fund balance in the URA will be replenished.

Interfund transfers for the year ending December 31, 2023 consisted of the following:

	Transfer To							Total
	General Fund	Transportation Impact Fund	Parks Improvement Impact Fund	Fleet and Equipment Acquisition Fund	Water Fund	Wastewater Fund	Airport	
Transfer from:								
General Fund	\$ -	\$ -	\$ -	\$ 1,290,000	\$ -	\$ -	\$ -	\$ 1,290,000
Nonmajor Governmental Funds	1,475,123	257,751	305,410	176,781	57,692	8,098	186,550	2,467,405
Total	<u>\$ 1,475,123</u>	<u>\$ 257,751</u>	<u>\$ 305,410</u>	<u>\$ 1,466,781</u>	<u>\$ 57,692</u>	<u>\$ 8,098</u>	<u>\$ 186,550</u>	<u>\$ 3,757,405</u>

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

D. Interfund Receivables, Payables, and Transfers (Continued)

As part of the budget process, the Town Council appropriates transfers between funds to allocate the Town's resources to support various programs across the Town.

The \$1,290,000 transfer from the General Fund to the Fleet and Equipment Acquisition Fund was to fund replacements and additions of vehicles and equipment.

The transfers from the Grants Fund to the funds shown above, totaling \$2,467,405 were related to grant funding received to support operations and capital projects normally occurring in those funds and the transfer of unrestricted interest earnings.

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. For the year ended December 31, 2023, the net revenue available for service of this debt was \$13,739,938. The debt principal and interest paid in 2023 equals \$1,110,000 (8.1% of available pledged revenues).

Long-term debt outstanding for general obligation bonds at December 31, 2023, 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	\$ 3,595,000
2014	General Obligation Bonds	3.25 - 3.75	3.24	2033	6,200,000	6,200,000
	Total General Obligation Bonds					<u>\$ 9,795,000</u>

2. Notes from Direct Borrowings and Direct Placements Revenue Bonds and Loans

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. For the year ended December 31, 2023, the net revenue available for service of this debt was \$56,800,642. The debt principal and interest paid in 2023 equals \$2,975,481 (5.2% of available pledged revenues).

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

2. Notes from Direct Borrowings and Direct Placements Revenue Bonds and Loans (Continued)

Revenue Bonds and Loans (Continued)

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	\$ 192,708
2009	Wastewater Revenue Loan	2.00	N/A	2030	1,534,700	318,815
2009	Wastewater Revenue Loan	0.00	0.00	2030	2,000,000	650,000
2009	Water Revenue Refunding Bonds	2.00 - 4.00	N/A	2023	6,390,000	-
2011	Water Revenue Refunding Bonds	2.00 - 5.00	2.51	2023	10,098,045	-
2015	Water Revenue Refunding Bonds	2.00 - 5.00	3.17	2032	12,335,000	10,370,000
2016	Wastewater Revenue Refunding Bonds	2.00 - 5.00	2.91	2037	16,670,000	13,095,000
2017	Water Revenue Refunding Bonds	3.24	3.12	2032	4,575,000	3,695,000
2021	Urban Renewal Authority Revenue Bonds	4.00	4.00	2038	4,100,000	4,100,000
Total Revenue Bonds and Loans						<u>\$ 32,421,523</u>

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. COPs outstanding at year-end are as follows:

Year Issued	Description	Coupon Interest Rate (%)	Effective Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2014	Water Certificates of Participation	2.00 - 5.00	3.76	2040	\$ 25,105,000	\$ 18,980,000
Total Certificates of Participation						<u>\$ 18,980,000</u>

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

2. Notes from Direct Borrowings and Direct Placements Revenue Bonds and Loans (Continued)

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

Year Ending December 31,	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	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
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	800,000	215,613	145,000	162,200	2,384,508	805,857	890,000	707,625
2028	825,000	189,613	215,000	156,400	2,490,803	700,514	930,000	663,125
2029 - 2033	4,575,000	510,963	1,355,000	639,200	11,989,836	2,056,369	5,265,000	2,717,025
2034 - 2038	-	-	2,340,000	323,200	4,870,369	368,714	6,460,000	1,515,500
2039 - 2042	-	-	-	-	-	-	3,010,000	191,800
Total	<u>\$ 9,795,000</u>	<u>\$ 1,792,828</u>	<u>\$ 4,100,000</u>	<u>\$ 1,773,000</u>	<u>\$ 28,321,523</u>	<u>\$ 6,926,206</u>	<u>\$ 18,980,000</u>	<u>\$ 8,156,200</u>

3. Other Long-Term Debt

Lease Liability

The Town leases certain assets from various third parties. The Town recognizes a lease liability and an intangible right-to-use lease asset in the financial statements. At the commencement of a lease, the Town initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of its useful life or the lease term.

The assets leased include vehicles, copiers, printers, and a mail machine. Payments are fixed monthly. Lease assets are reported with other capital assets on the statement of net position. Lease asset activity of the Town is included in Note 3.C.

The Town monitors change in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. As of December 31, 2023, the Town had an outstanding liability for all its leases of \$2,273,931.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

3. Other Long-Term Debt (Continued)

Lease Liability (Continued)

Principal and interest lease payments to maturity are as follows:

Year Ending December 31,	Governmental Activities		Business-Type Activities	
	Principal	Interest	Principal	Interest
2024	\$ 493,341	\$ 150,244	\$ 103,896	\$ 23,087
2025	479,698	108,257	104,475	15,524
2026	450,381	67,312	89,885	8,404
2027	380,966	27,904	67,109	1,612
2028	104,180	4,059	-	-
Total	<u>\$ 1,908,566</u>	<u>\$ 357,776</u>	<u>\$ 365,365</u>	<u>\$ 48,627</u>

SBITA Liability

The Town implemented the requirements of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITAs). The Statement provides a definition of SBITAS and provides uniform guidance for accounting and financial reporting for such transactions. The guidance will decrease diversity in the accounting and financial reporting for these transactions, thereby, increasing comparability in financial reporting among governments. Further, the reporting of a SBITA asset (a right to use intangible capital asset) and a SBITA liability will enhance the relevance and reliability of the financial statements. The SBITAS have been recorded as the present value of the future minimum payments as of the date of their inception.

The future minimum SBITA obligations and the net present value of these minimum SBITA payments as of December 31, 2023 were as follows:

Year Ending December 31,	Governmental Activities		
	Principal	Interest	Total
2024	\$ 97,480	\$ 10,107	\$ 107,587
2025	93,278	6,201	99,479
2026	32,359	2,641	35,000
2027	33,654	1,346	35,000
Total	<u>\$ 256,771</u>	<u>\$ 20,295</u>	<u>\$ 277,066</u>

Other Liability

The other long-term liability of \$450,707 represents a reimbursement due in 2024 related to infrastructure constructed by a developer.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

E. Long-Term Debt (Continued)

4. Changes in Long-Term Liabilities

Long-term liability activity for the year ended December 31, 2023 was as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance	Due within One Year
Governmental Activities:					
Bonds and Other Debt Payable:					
General Obligation Bonds	\$ 10,905,000	\$ -	\$ (1,110,000)	\$ 9,795,000	\$ 1,155,000
Revenue Bonds	4,100,000	-	-	4,100,000	-
Deferred Premiums and Discounts	456,285	-	(100,950)	355,335	100,950
SBITA Liability	35,193	332,028	(110,450)	256,771	97,480
Lease Liability	1,567,857	966,333	(625,624)	1,908,566	493,341
Total Bonds and Other Debt Payable	17,064,335	1,298,361	(1,947,024)	16,415,672	1,846,771
Compensated Absences	1,420,076	1,715,272	(1,727,018)	1,408,330	1,047,645
Other Long-Term Liability	450,707	-	-	450,707	-
Total Governmental Activities	<u>\$ 18,935,118</u>	<u>\$ 3,013,633</u>	<u>\$ (3,674,042)</u>	<u>\$ 18,274,709</u>	<u>\$ 2,894,416</u>

* As a result of implementing GASB 96, the beginning balances were restated as follows: SBITA liabilities increased \$35,193. Right-to-Use SBITA assets beginning balances of \$35,193 were also restated creating a net effect of \$0 to net position.

Business-Type Activities:					
Direct Placements and Direct Borrowings:					
Revenue Bonds and Loans	\$ 30,586,101	\$ -	\$ (2,264,578)	\$ 28,321,523	\$ 2,105,774
Certificates of Participation	19,725,000	-	(745,000)	18,980,000	775,000
Deferred Premiums and Discounts	3,120,000	-	(274,935)	2,845,065	215,177
Total Direct Placements and Direct Borrowings	53,431,101	-	(3,284,513)	50,146,588	3,095,951
Lease Liability	457,942	-	(92,577)	365,365	103,896
Compensated Absences	135,601	202,236	(174,505)	163,332	121,508
Total Business-Type Activities	<u>\$ 54,024,644</u>	<u>\$ 202,236</u>	<u>\$ (3,551,595)</u>	<u>\$ 50,675,285</u>	<u>\$ 3,321,355</u>

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, 2023, defeased bonds had remaining balances outstanding of \$640,526.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans

Police Officers Pension Plan

1. General Information about the Pension Plan

Plan Description

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing, multi-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 annual comprehensive financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

2. Benefits Provided

A member is eligible for a normal retirement pension once the member has completed 25 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% of the average of the member's highest three years' base salary for each year of credited service up to 10 years, plus 2.5% 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 Council's discretion and can range from 0% to the higher of 3% or the Consumer Price Index or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

2. Benefits Provided (Continued)

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% 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% of the member's average highest three years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter.

3. 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 12% and 9.5%, respectively, of base salary for a total contribution rate of 21.5% in 2023. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. Contributions to the SWDB plan from the Town were \$426,232 for the year ended December 31, 2023.

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

At December 31, 2023, the Town reported a net pension liability of \$427,970 for its proportionate share of the net pension liability. The net pension asset was measured as of December 31, 2022, 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, 2022, the Town's proportion was 0.4822%, which was an increase of 0.0511% from its proportion measured as of December 31, 2021.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related To Pensions (Continued)

For the year ended December 31, 2023, the Town recognized pension expense credit of \$287,263. At December 31, 2023, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between Expected and Actual Experience	\$ 926,406	\$ 52,531
Changes of Assumptions or Other Inputs	548,287	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	968,483	-
Changes in Proportion and Differences Between Contributions Recognized and Proportionate Share of Contributions	1,595	353,371
Contributions Subsequent to the Measurement Date	426,232	-
Total	<u>\$ 2,871,003</u>	<u>\$ 405,902</u>

\$426,232 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, 2024. 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:

<u>Year Ending December 31,</u>	<u>Amount</u>
2024	\$ 173,681
2025	357,397
2026	526,874
2027	748,499
2028	116,396
Thereafter	116,022
Total	<u>\$ 2,038,869</u>

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

5. Actuarial Assumptions

The total pension liability in the December 31, 2022 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, 2023	January 1, 2022
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.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

5. Actuarial Assumptions (Continued)

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%). 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, 2022, are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Global Equity	35.00 %	8.93 %
Equity Long/Short	6.00	7.47
Private Markets	34.00	10.31
Fixed Income - Rates	10.00	5.45
Fixed Income - Credit	5.00	6.90
Absolute Return	9.00	6.49
Cash	1.00	3.92
Total	100.00 %	

6. Discount Rate

The discount rate used to measure the total pension liability was 7.00%. 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.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

7. 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%, 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%) or 1-percentage-point higher (8.00%) 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)	\$ 2,950,367	\$ 427,970	\$ 1,661,392

8. Pension Plan Fiduciary Net Position

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

9. Changes Between the Measurement Date of the Net Pension Asset and December 31, 2023

During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liability of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The Statewide Retirement Plan became the Defined Benefit Component of the Statewide Retirement Plan.

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 Council and can be amended by the Plan Trustees (Town Manager and Finance Director). The Town Manager establishes and may amend contribution requirements.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 3 DETAILED NOTES ON ALL FUNDS (CONTINUED)

F. Retirement Plans (Continued)

Police Officers Pension Plan (Continued)

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 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 \$22,500 per year (\$30,000 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 2023, the Town made all required contributions to the plan, contributing \$426,232. Employees contributed \$539,495 (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 4 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.

TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023

NOTE 4 OTHER INFORMATION (CONTINUED)

C. Commitments and Encumbrances

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

	<u>Governmental</u>	<u>Enterprise</u>	<u>Total</u>
General Fund	\$ 4,575,086	\$ -	\$ 4,575,086
Grants Fund	2,812	-	2,812
Trails and Natural Areas Fund	563,027	-	563,027
Conservation Trust Fund	9,473	-	9,473
Cemetery Fund	8,085	-	8,085
Transportation Impact Fund	1,221,665	-	1,221,665
Public Facilities Improvement Fund	7,458,289	-	7,458,289
Fleet and Equipment Acquisition Fund	131,318	-	131,318
Urban Renewal Authority	60,691	-	60,691
Water Fund	-	4,763,886	4,763,886
Wastewater Fund	-	1,121,096	1,121,096
Airport Fund	-	40,265	40,265
Storm Drainage Operating	-	1,811,629	1,811,629
Total Commitments	<u>\$ 14,030,446</u>	<u>\$ 7,736,876</u>	<u>\$ 21,767,322</u>

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 \$13.3 million of the total. Of this amount, \$1 million represents contractual commitments for the expansion of the Town's wastewater treatment plant. This project is expected to be completed in 2024.

The Town is also participating in several raw water storage and delivery projects with the Northern Colorado Water Conservancy District. In 2023, the Town contributed \$3.8 million to the Northern Integrated Supply Project and \$1.6 million to the Windy Gap Firming Project. Future years' contributions to these projects depend on the Town Council 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, 2023. If any costs are disallowed in the future, the Town expects them to be insignificant.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 OTHER INFORMATION (CONTINUED)

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 2023, the Town paid Dillon \$191,387 pursuant to this agreement. Cumulative reimbursements since inception pursuant to this agreement were \$674,835 as of December 31, 2023.

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 (dba 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 2023, the Town reimbursed D&H Erie, LLC \$109,681 pursuant to this agreement. Reimbursements under the agreement for Echo Brewing began in 2023.

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 2023, the Town paid 615 Briggs LLC \$52,536 pursuant to this agreement.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 4 OTHER INFORMATION (CONTINUED)

E. Annexation and Developer Agreements (Continued)

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 2023, the Town paid RTD Birdhouse Holdings LLC \$21,942 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 is 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 issued by the Nine Mile Metropolitan District. Certain operations and administrative costs will also be paid from the tax increment revenue. During 2023, the Town paid the Nine Mile Metropolitan District \$450,917 pursuant to this agreement.

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 Council approved a resolution creating an emergency reserve as required by Article X, Section 20, of the Colorado Constitution. The year-end reserve of \$2.3 million is calculated based on the requirements of Article X, Section 20.

**TOWN OF ERIE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2023**

NOTE 5 SUBSEQUENT EVENT

On December 12, 2023, the Town Council approved a purchase of real property located at the northwest corner of Briggs Street and Maxwell Avenue, Weld County, Colorado. The purchase closed on February 26, 2024 for \$575,064.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ERIE, COLORADO
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
LAST TEN FISCAL YEARS*

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Plan Measurement Date	December 31, 2022	December 31, 2021	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)	0.482159670%	0.431087780%	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)	\$ 427,970	\$ (2,336,210)	\$ (832,568)	\$ (211,723)	\$ 432,908	\$ (492,022)	\$ 119,945	\$ (5,928)	\$ (373,766)	\$ (277,699)
Town's Covered Payroll	\$ 4,194,863	\$ 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
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	10.2%	(67.3%)	(27.0%)	(7.7%)	19.6%	(24.5%)	6.8%	(0.4%)	(25.1%)	(20.6%)
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	97.6%	116.2%	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.

**TOWN OF ERIE, COLORADO
SCHEDULE OF TOWN CONTRIBUTIONS
LAST TEN FISCAL YEARS***

	Fiscal Year									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$ 426,232	\$ 377,537	\$ 294,980	\$ 246,421	\$ 220,731	\$ 177,032	\$ 160,422	\$ 142,003	\$ 131,094	\$ 119,159
Contributions in Relation to the Contractually Required Contribution	426,232	377,537	294,980	246,421	220,731	177,032	160,422	142,003	131,094	119,159
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 4,499,509	\$ 4,194,863	\$ 3,470,347	\$ 3,080,269	\$ 2,759,138	\$ 2,212,900	\$ 2,005,275	\$ 1,775,038	\$ 1,638,675	\$ 1,489,488
Contributions as a Percentage of Covered Payroll	9%	9%	9%	8%	8%	8%	8%	8%	8%	8%

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

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SUPPLEMENTARY INFORMATION

**TOWN OF ERIE, COLORADO
MAJOR CAPITAL PROJECT FUNDS**

Capital Projects Funds

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

Transportation Impact Fund – Accounts for impact fee revenues used to construct and acquire transportation infrastructure.

Parks Improvement Impact Fund – Accounts for impact fee revenues used to construct and acquire parks and related improvements.

TOWN OF ERIE, COLORADO
TRANSPORTATION IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Capital Contributions and Fees	\$ 4,439,000	\$ 4,439,000	\$ 4,108,003	\$ (330,997)
Investment Earnings	55,000	55,000	1,148,741	1,093,741
Total Revenues	4,494,000	4,494,000	5,256,744	762,744
EXPENDITURES				
Current Operating:				
Public Works	-	-	34,441	(34,441)
Capital Outlay	1,025,000	18,376,700	965,646	17,411,054
Total Expenditures	1,025,000	18,376,700	1,000,087	17,376,613
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	3,469,000	(13,882,700)	4,256,657	18,139,357
OTHER FINANCING SOURCES				
Transfers In	-	-	257,751	257,751
Total Other Financing Sources	-	-	257,751	257,751
NET CHANGES IN FUND BALANCE	<u>\$ 3,469,000</u>	<u>\$ (13,882,700)</u>	4,514,408	<u>\$ 18,397,108</u>
Fund Balance - Beginning of Year			21,571,857	
FUND BALANCE - END OF YEAR			<u>\$ 26,086,265</u>	

TOWN OF ERIE, COLORADO
PARKS IMPROVEMENT IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Capital Contributions and Fees	\$ 2,562,300	\$ 2,562,300	\$ 3,092,814	\$ 530,514
Investment Earnings	-	-	475,255	475,255
Total Revenues	2,562,300	2,562,300	3,568,069	1,005,769
EXPENDITURES				
Capital Outlay	789,375	416,077	416,077	-
Total Expenditures	789,375	416,077	416,077	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,772,925	2,146,223	3,151,992	1,005,769
OTHER FINANCING USES				
Transfers In	-	-	305,410	305,410
Total Other Financing Uses	-	-	305,410	305,410
NET CHANGES IN FUND BALANCE	<u>\$ 1,772,925</u>	<u>\$ 2,146,223</u>	3,457,402	<u>\$ 1,311,179</u>
Fund Balance - Beginning of Year			8,713,107	
FUND BALANCE - END OF YEAR			<u>\$ 12,170,509</u>	

**TOWN OF ERIE, COLORADO
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.

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.

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.

Trail and Natural Areas Fund – Accounts for property tax revenues used to acquire, construct, and maintain trails; and acquire, 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 IRC 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.

Police Facilities Impact Fund – Accounts for impact fee revenues used to construct and acquire police 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, 2023**

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Pooled Cash and Investments	\$ 7,101,921	\$ 21,612,300	\$ 28,714,221
Receivables	<u>4,040,154</u>	<u>27,286</u>	<u>4,067,440</u>
Total Assets	<u><u>\$ 11,142,075</u></u>	<u><u>\$ 21,639,586</u></u>	<u><u>\$ 32,781,661</u></u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 160,071	\$ 840,270	\$ 1,000,341
Unearned Revenue	<u>1,945,968</u>	<u>7,648</u>	<u>1,953,616</u>
Total Liabilities	<u>2,106,039</u>	<u>847,918</u>	<u>2,953,957</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	2,848,674	-	2,848,674
Unavailable Fund Resources - Grants	<u>2,923</u>	<u>-</u>	<u>2,923</u>
Total Deferred Inflows of Resources	<u>2,851,597</u>	<u>-</u>	<u>2,851,597</u>
FUND BALANCES			
Restricted for:			
Capital Projects	-	20,791,668	20,791,668
Parks and Open Space	5,797,490	-	5,797,490
Committed to:			
Cemetery Operations	<u>386,949</u>	<u>-</u>	<u>386,949</u>
Total Fund Balances	<u><u>6,184,439</u></u>	<u><u>20,791,668</u></u>	<u><u>26,976,107</u></u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u><u>\$ 11,142,075</u></u>	<u><u>\$ 21,639,586</u></u>	<u><u>\$ 32,781,661</u></u>

**TOWN OF ERIE, COLORADO
COMBINING BALANCE SHEET
NONMAJOR SPECIAL REVENUE FUNDS
DECEMBER 31, 2023**

	Grants Fund	Cemetery Fund	Conservation Trust Fund	Trails and Natural Areas Fund	Erie Community Civic Fund	Total
ASSETS						
Pooled Cash and Investments	\$ 946,881	\$ 386,468	\$ 1,081,661	\$ 4,667,256	\$ 19,655	\$ 7,101,921
Receivables	1,183,673	481	1,373	2,854,627	-	4,040,154
Total Assets	<u>\$ 2,130,554</u>	<u>\$ 386,949</u>	<u>\$ 1,083,034</u>	<u>\$ 7,521,883</u>	<u>\$ 19,655</u>	<u>\$ 11,142,075</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
LIABILITIES						
Accounts Payable	\$ -	\$ -	\$ 45,471	\$ 114,600	\$ -	\$ 160,071
Unearned Revenue	1,945,968	-	-	-	-	1,945,968
Total Liabilities	<u>1,945,968</u>	<u>-</u>	<u>45,471</u>	<u>114,600</u>	<u>-</u>	<u>2,106,039</u>
DEFERRED INFLOWS OF RESOURCES						
Property Taxes	-	-	-	2,848,674	-	2,848,674
Unavailable Fund Resources - Grants	2,923	-	-	-	-	2,923
Total Deferred Inflows of Resources	<u>2,923</u>	<u>-</u>	<u>-</u>	<u>2,848,674</u>	<u>-</u>	<u>2,851,597</u>
FUND BALANCES						
Restricted for:						
Parks and Open Space	181,663	-	1,037,563	4,558,609	19,655	5,797,490
Committed to:						
Cemetery Operations	-	386,949	-	-	-	386,949
Total Fund Balances	<u>181,663</u>	<u>386,949</u>	<u>1,037,563</u>	<u>4,558,609</u>	<u>19,655</u>	<u>6,184,439</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 2,130,554</u>	<u>\$ 386,949</u>	<u>\$ 1,083,034</u>	<u>\$ 7,521,883</u>	<u>\$ 19,655</u>	<u>\$ 11,142,075</u>

**TOWN OF ERIE, COLORADO
COMBINING BALANCE SHEET
NONMAJOR CAPITAL PROJECTS FUNDS
DECEMBER 31, 2023**

	Public Facilities Impact Fund	Storm Drainage Impact Fund	Police Facilities Impact Fund	Tree Impact Fund	Total
ASSETS					
Pooled Cash and Investments	\$ 11,281,075	\$ 8,228,343	\$ 790,355	\$ 1,312,527	\$ 21,612,300
Receivables	14,391	10,269	972	1,654	27,286
Total Assets	<u>\$ 11,295,466</u>	<u>\$ 8,238,612</u>	<u>\$ 791,327</u>	<u>\$ 1,314,181</u>	<u>\$ 21,639,586</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 835,270	\$ -	\$ 5,000	\$ -	\$ 840,270
Unearned Revenue	3,824	3,224	-	600	7,648
Total Liabilities	<u>839,094</u>	<u>3,224</u>	<u>5,000</u>	<u>600</u>	<u>847,918</u>
FUND BALANCES					
Restricted for:					
Capital Projects	<u>10,456,372</u>	<u>8,235,388</u>	<u>786,327</u>	<u>1,313,581</u>	<u>20,791,668</u>
Total Fund Balances	<u>10,456,372</u>	<u>8,235,388</u>	<u>786,327</u>	<u>1,313,581</u>	<u>20,791,668</u>
Total Liabilities and Fund Balances	<u>\$ 11,295,466</u>	<u>\$ 8,238,612</u>	<u>\$ 791,327</u>	<u>\$ 1,314,181</u>	<u>\$ 21,639,586</u>

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED DECEMBER 31, 2023

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 2,248,617	\$ -	\$ 2,248,617
Intergovernmental	6,657,744	-	6,657,744
Fees and Charges for Services	68,425	-	68,425
Capital Contributions and Fees	1,393,968	4,496,016	5,889,984
Investment Earnings	557,087	954,997	1,512,084
Total Revenues	<u>10,938,966</u>	<u>5,451,013</u>	<u>16,389,979</u>
EXPENDITURES			
Current Operating:			
General Government	33,203	-	33,203
Public Safety	13,455	-	13,455
Public Works	328	20,277	20,605
Parks and Recreation	136,637	75,000	211,637
Capital Outlay	<u>8,736,963</u>	<u>2,155,107</u>	<u>10,892,070</u>
Total Expenditures	<u>8,920,586</u>	<u>2,250,384</u>	<u>11,170,970</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,018,380	3,200,629	5,219,009
OTHER FINANCING USES			
Transfers Out	<u>(2,467,405)</u>	-	<u>(2,467,405)</u>
Total Other Financing Uses	<u>(2,467,405)</u>	-	<u>(2,467,405)</u>
NET CHANGES IN FUND BALANCE	(449,025)	3,200,629	2,751,604
Fund Balance - Beginning of Year	<u>6,633,464</u>	<u>17,591,039</u>	<u>24,224,503</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,184,439</u>	<u>\$ 20,791,668</u>	<u>\$ 26,976,107</u>

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2023

	Grants Fund	Cemetery Fund	Conservation Trust Fund	Trails and Natural Areas Fund	Erie Community Civic Fund	Total
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ 2,248,617	\$ -	\$ 2,248,617
Intergovernmental	6,260,253	-	397,491	-	-	6,657,744
Fees and Charges for Services	-	68,425	-	-	-	68,425
Capital Contributions and Fees	1,256,228	-	-	137,740	-	1,393,968
Investment Earnings	185,489	16,761	48,511	306,326	-	557,087
Miscellaneous	-	-	-	13,125	-	13,125
Total Revenues	<u>7,701,970</u>	<u>85,186</u>	<u>446,002</u>	<u>2,705,808</u>	<u>-</u>	<u>10,938,966</u>
EXPENDITURES						
Current Operating:						
General Government	25,128	8,075	-	-	-	33,203
Public Safety	13,455	-	-	-	-	13,455
Public Works	328	-	-	-	-	328
Parks and Recreation	54,007	-	-	82,630	-	136,637
Capital Outlay	<u>4,477,360</u>	<u>-</u>	<u>293,229</u>	<u>3,966,374</u>	<u>-</u>	<u>8,736,963</u>
Total Expenditures	<u>4,570,278</u>	<u>8,075</u>	<u>293,229</u>	<u>4,049,004</u>	<u>-</u>	<u>8,920,586</u>
EXCESS OF REVENUES OVER EXPENDITURES	3,131,692	77,111	152,773	(1,343,196)	-	2,018,380
OTHER FINANCING USES						
Transfers Out	<u>(2,467,405)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,467,405)</u>
Total Other Financing Uses	<u>(2,467,405)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,467,405)</u>
NET CHANGES IN FUND BALANCE	664,287	77,111	152,773	(1,343,196)	-	(449,025)
Fund Balance - Beginning of Year	<u>(482,624)</u>	<u>309,838</u>	<u>884,790</u>	<u>5,901,805</u>	<u>19,655</u>	<u>6,633,464</u>
FUND BALANCE - END OF YEAR	<u>\$ 181,663</u>	<u>\$ 386,949</u>	<u>\$ 1,037,563</u>	<u>\$ 4,558,609</u>	<u>\$ 19,655</u>	<u>\$ 6,184,439</u>

TOWN OF ERIE, COLORADO
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR SPECIAL REVENUE FUNDS
YEAR ENDED DECEMBER 31, 2023

	Public Facilities Impact Fund	Storm Drainage Impact Fund	Police Facilities Impact Fund	Tree Impact Fund	Total
REVENUES					
Capital Contributions and Fees	\$ 2,710,539	\$ 1,102,340	\$ 463,637	\$ 219,500	\$ 4,496,016
Investment Earnings	509,853	358,409	27,851	58,884	954,997
Total Revenues	<u>3,220,392</u>	<u>1,460,749</u>	<u>491,488</u>	<u>278,384</u>	<u>5,451,013</u>
EXPENDITURES					
Current Operating:					
Public Works	277	-	20,000	-	20,277
Parks and Recreation	-	-	-	75,000	75,000
Capital Outlay	<u>2,155,107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,155,107</u>
Total Expenditures	<u>2,155,384</u>	<u>-</u>	<u>20,000</u>	<u>75,000</u>	<u>2,250,384</u>
EXCESS OF REVENUE OVER EXPENDITURES	<u>1,065,008</u>	<u>1,460,749</u>	<u>471,488</u>	<u>203,384</u>	<u>3,200,629</u>
NET CHANGES IN FUND BALANCE	<u>1,065,008</u>	<u>1,460,749</u>	<u>471,488</u>	<u>203,384</u>	<u>3,200,629</u>
Fund Balance - Beginning of Year	<u>9,391,364</u>	<u>6,774,639</u>	<u>314,839</u>	<u>1,110,197</u>	<u>17,591,039</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 10,456,372</u></u>	<u><u>\$ 8,235,388</u></u>	<u><u>\$ 786,327</u></u>	<u><u>\$ 1,313,581</u></u>	<u><u>\$ 20,791,668</u></u>

**TOWN OF ERIE, COLORADO
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 586,600	\$ 1,622,968	\$ 6,260,253	\$ 4,637,285
Capital Contributions and Fees	-	-	1,256,228	1,256,228
Investment Earnings	-	-	185,489	185,489
Total Revenues	586,600	1,622,968	7,701,970	6,079,002
EXPENDITURES				
Current Operating:				
General Government	-	40,000	25,128	14,872
Public Safety	-	-	13,455	(13,455)
Public Works	-	-	328	(328)
Parks and Recreation	-	-	54,007	(54,007)
Capital Outlay	230,000	4,757,364	4,477,360	280,004
Total Expenditures	230,000	4,797,364	4,570,278	227,086
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	356,600	(3,174,396)	3,131,692	6,306,088
OTHER FINANCING USES				
Transfers Out	(586,600)	(2,322,968)	(2,467,405)	(144,437)
Total Other Financing Sources (Uses)	(586,600)	(2,322,968)	(2,467,405)	(144,437)
NET CHANGES IN FUND BALANCE	<u>\$ (230,000)</u>	<u>\$ (5,497,364)</u>	664,287	<u>\$ 6,161,651</u>
Fund Balance - Beginning of Year			(482,624)	
FUND BALANCE - END OF YEAR			<u>\$ 181,663</u>	

**TOWN OF ERIE, COLORADO
CEMETERY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Fees and Charges for Services	\$ 20,000	\$ 20,000	\$ 68,425	\$ 48,425
Investment Earnings	1,000	1,000	16,761	15,761
Total Revenues	21,000	21,000	85,186	64,186
EXPENDITURES				
Current Operating:				
General Government	-	-	8,075	(8,075)
Total Expenditures	-	-	8,075	(8,075)
EXCESS OF REVENUES OVER EXPENDITURES	21,000	21,000	77,111	56,111
NET CHANGES IN FUND BALANCE	<u>\$ 21,000</u>	<u>\$ 21,000</u>	77,111	<u>\$ 56,111</u>
Fund Balance - Beginning of Year			<u>309,838</u>	
FUND BALANCE - END OF YEAR			<u>\$ 386,949</u>	

**TOWN OF ERIE, COLORADO
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 236,500	\$ 236,500	\$ 397,491	\$ 160,991
Investment Earnings	3,000	3,000	48,511	45,511
Total Revenues	<u>239,500</u>	<u>239,500</u>	<u>446,002</u>	<u>206,502</u>
EXPENDITURES				
Capital Outlay	<u>370,063</u>	<u>458,693</u>	<u>293,229</u>	<u>165,464</u>
Total Expenditures	<u>370,063</u>	<u>458,693</u>	<u>293,229</u>	<u>165,464</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(130,563)	(219,193)	152,773	371,966
NET CHANGES IN FUND BALANCE	<u>\$ (130,563)</u>	<u>\$ (219,193)</u>	152,773	<u>\$ 371,966</u>
Fund Balance - Beginning of Year			<u>884,790</u>	
FUND BALANCE - END OF YEAR			<u>\$ 1,037,563</u>	

**TOWN OF ERIE, COLORADO
TRAILS AND NATURAL AREAS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Positive
				(Negative)
REVENUES				
Taxes	\$ 2,272,134	\$ 2,272,134	\$ 2,248,617	\$ (23,517)
Capital Contributions and Fees	-	-	137,740	137,740
Investment Earnings	10,000	10,000	306,326	296,326
Miscellaneous	6,100	6,100	13,125	7,025
Total Revenues	2,288,234	2,288,234	2,705,808	417,574
EXPENDITURES				
Current Operating:				
Parks and Recreation	22,030	22,030	82,630	(60,600)
Capital Outlay	1,826,000	5,810,769	3,966,374	1,844,395
Total Expenditures	1,848,030	5,832,799	4,049,004	1,783,795
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	440,204	(3,544,565)	(1,343,196)	2,201,369
OTHER FINANCING USES				
Transfers Out	(414,000)	(414,000)	-	414,000
Total Other Financing Uses	(414,000)	(414,000)	-	414,000
NET CHANGES IN FUND BALANCE	<u>\$ 26,204</u>	<u>\$ (3,958,565)</u>	<u>(1,343,196)</u>	<u>\$ 2,615,369</u>
Fund Balance - Beginning of Year			5,901,805	
FUND BALANCE - END OF YEAR			<u>\$ 4,558,609</u>	

**TOWN OF ERIE, COLORADO
 ERIE CIVIC COMMUNITY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET AND ACTUAL
 YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Total Revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
NET CHANGES IN FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balance - Beginning of Year			<u>19,655</u>	
FUND BALANCE - END OF YEAR			<u>\$ 19,655</u>	

TOWN OF ERIE, COLORADO
PUBLIC FACILITIES IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Capital Contributions and Fees	\$ 1,455,400	\$ 1,455,400	\$ 2,710,539	\$ 1,255,139
Investment Earnings	20,000	20,000	509,853	489,853
Total Revenues	<u>1,475,400</u>	<u>1,475,400</u>	<u>3,220,392</u>	<u>1,744,992</u>
EXPENDITURES				
Current Operating:				
Public Works	-	-	277	(277)
Capital Outlay	4,044,490	12,482,828	2,155,107	10,327,721
Total Expenditures	<u>4,044,490</u>	<u>12,482,828</u>	<u>2,155,384</u>	<u>10,327,444</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,569,090)</u>	<u>(11,007,428)</u>	<u>1,065,008</u>	<u>12,072,436</u>
NET CHANGES IN FUND BALANCE	<u><u>\$ (2,569,090)</u></u>	<u><u>\$ (11,007,428)</u></u>	<u>1,065,008</u>	<u><u>\$ 12,072,436</u></u>
Fund Balance - Beginning of Year			<u>9,391,364</u>	
FUND BALANCE - END OF YEAR			<u><u>\$ 10,456,372</u></u>	

**TOWN OF ERIE, COLORADO
STORM DRAINAGE IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Capital Contributions and Fees	\$ 1,011,100	\$ 1,011,100	\$ 1,102,340	\$ 91,240
Investment Earnings	20,000	20,000	358,409	338,409
Total Revenues	1,031,100	1,031,100	1,460,749	429,649
EXPENDITURES				
Total Expenditures	-	-	-	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,031,100	1,031,100	1,460,749	429,649
NET CHANGES IN FUND BALANCE	<u>\$ 1,031,100</u>	<u>\$ 755,214</u>	1,460,749	<u>\$ 705,535</u>
Fund Balance - Beginning of Year			6,774,639	
FUND BALANCE - END OF YEAR			<u>\$ 8,235,388</u>	

**TOWN OF ERIE, COLORADO
TREE IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Capital Contributions and Fees	\$ 42,012	\$ 42,012	\$ 219,500	\$ 177,488
Investment Earnings	3,000	3,000	58,884	55,884
Total Revenues	45,012	45,012	278,384	233,372
EXPENDITURES				
Current Operating:				
Parks and Recreation	149,350	149,350	75,000	74,350
Total Expenditures	149,350	254,350	75,000	179,350
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(104,338)	(209,338)	203,384	412,722
NET CHANGES IN FUND BALANCE	<u>\$ (104,338)</u>	<u>\$ (209,338)</u>	203,384	<u>\$ 412,722</u>
Fund Balance - Beginning of Year			1,110,197	
FUND BALANCE - END OF YEAR			<u>\$ 1,313,581</u>	

**TOWN OF ERIE, COLORADO
POLICE FACILITIES IMPACT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023**

	Budgeted Amounts			Variance With
	Original	Final		Final Budget
	Budget	Budget	Actual	Positive
				(Negative)
REVENUES				
Capital Contributions and Fees	\$ 402,000	\$ 402,000	\$ 463,637	\$ 61,637
Investment Earnings	-	-	27,851	27,851
Total Revenues	402,000	402,000	491,488	89,488
EXPENDITURES				
Current Operating:				
Public Works	-	-	20,000	(20,000)
Capital Outlay	-	401,000	-	401,000
Total Expenditures	-	401,000	20,000	381,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	402,000	1,000	471,488	470,488
NET CHANGES IN FUND BALANCE	<u>\$ 402,000</u>	<u>\$ 1,000</u>	471,488	<u>\$ 470,488</u>
Fund Balance - Beginning of Year			314,839	
FUND BALANCE - END OF YEAR			<u>\$ 786,327</u>	

**TOWN OF ERIE, COLORADO
PROPRIETARY FUNDS**

**Schedules 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
- Airport Fund

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF NET POSITION
NONMAJOR PROPRIETARY FUNDS
DECEMBER 31, 2023

	Airport Fund	Total Enterprise Nonmajor Funds
ASSETS		
Current Assets:		
Pooled Cash and Investments	\$ 205,422	\$ 205,422
Receivables	4,509	4,509
Total Current Assets	<u>209,931</u>	<u>209,931</u>
Noncurrent Assets:		
Capital Assets:		
Construction in Progress	203,249	203,249
Land and Water Rights	592,295	592,295
Buildings, Property, and Equipment	6,905,426	6,905,426
Accumulated Depreciation	<u>(4,113,325)</u>	<u>(4,113,325)</u>
Total Capital Assets, Net	3,587,645	3,587,645
Total Assets	3,797,576	3,797,576
LIABILITIES		
Current Liabilities:		
Accounts Payable	<u>10,833</u>	<u>10,833</u>
Total Current Liabilities	10,833	10,833
Total Liabilities	<u>10,833</u>	<u>10,833</u>
NET POSITION		
Net Investment in Capital Assets	3,587,645	3,587,645
Unrestricted	<u>199,098</u>	<u>199,098</u>
Total Net Position	<u><u>\$ 3,786,743</u></u>	<u><u>\$ 3,786,743</u></u>

TOWN OF ERIE, COLORADO
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
NONMAJOR PROPRIETARY FUNDS
YEAR ENDED DECEMBER 31, 2023

	Airport Fund	Total Nonmajor Proprietary Funds
OPERATING REVENUES		
Charges for Services	\$ 6,507	\$ 6,507
OPERATING EXPENSES		
Operations and Maintenance	22,113	22,113
Depreciation	265,392	265,392
Total Operating Expenses	<u>287,505</u>	<u>287,505</u>
NET OPERATING INCOME (LOSS)	(280,998)	(280,998)
NONOPERATING REVENUES (EXPENSES)		
Investment Earnings	8,577	8,577
Other Nonoperating Income	53,530	53,530
Total Nonoperating Revenues (Expenses)	<u>62,107</u>	<u>62,107</u>
INCOME (LOSS) BEFORE TRANSFERS	(218,891)	(218,891)
Transfers In	186,550	186,550
CHANGES IN NET POSITION	(32,341)	(32,341)
Net Position - Beginning of Year	<u>3,819,084</u>	<u>3,819,084</u>
NET POSITION - END OF YEAR	<u><u>\$ 3,786,743</u></u>	<u><u>\$ 3,786,743</u></u>

**TOWN OF ERIE, COLORADO
NONMAJOR PROPRIETARY FUND
COMBINING STATEMENT OF CASH FLOWS
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023
(NON-GAAP BUDGETARY BASIS)**

	Storm Drainage Operating Fund	Airport Fund	Total Nonmajor Proprietary Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers and Users	\$ -	\$ 56,308	\$ 56,308
Payments to Suppliers	-	(11,280)	(11,280)
Net Cash Provided (Used) by Operating Activities	-	45,028	45,028
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and Construction of Capital Assets	-	(203,249)	(203,249)
Cash Flows Provided (Used) by Capital and Related Financing Activities	-	(203,249)	(203,249)
CASH FLOWS FROM INVESTING ACTIVITIES			
Earnings on Investments	-	8,577	8,577
Cash Flows Provided (Used) by Investing Activities	-	8,577	8,577
NET INCREASE (DECREASE) IN POOLED CASH AND INVESTMENTS	-	36,906	36,906
Pooled Cash and Investments - Beginning of Year	-	168,516	168,516
POOLED CASH AND INVESTMENTS - END OF YEAR	<u>\$ -</u>	<u>\$ 205,422</u>	<u>\$ 205,422</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating Income (Loss)	\$ -	\$ (280,998)	\$ (280,998)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation Expense	-	265,392	265,392
Other Income	-	53,530	53,530
(Increase) Decrease in:			
Accounts Receivable	-	(3,729)	(3,729)
Increase (Decrease) in:			
Accounts Payable	-	10,833	10,833
Net Cash Provided (Used) by Operating Activities	<u>\$ -</u>	<u>\$ 45,028</u>	<u>\$ 45,028</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Capital Assets Acquired Through Contributions	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Capital Assets Acquired Through Capital Lease	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF ERIE, COLORADO
WATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 12,792,000	\$ 12,792,000	\$ 11,571,276	\$ (1,220,724)
Capital Contributions and Fees	16,118,192	16,118,192	21,632,647	5,514,455
Investment Earnings	527,000	527,000	5,087,793	4,560,793
Miscellaneous	10,000	10,000	67,595	57,595
Total Revenues	29,447,192	29,447,192	38,359,311	8,912,119
EXPENSES				
Operating Expenses:				
Personnel Services	1,857,695	1,834,495	1,200,463	634,032
Operations and Maintenance	7,550,899	7,720,399	6,358,116	1,362,283
Capital Outlay	31,032,165	107,216,349	15,755,610	91,460,739
Debt Related Expenses:				
Principal Payments	2,260,000	2,260,000	2,338,807	(78,807)
Interest Expense	1,443,592	1,443,592	1,470,580	(26,988)
Total Expenses	44,144,351	120,474,835	27,123,576	93,351,259
OTHER FINANCING SOURCES				
Transfers In	-	-	57,692	57,692
Proceeds on Sale of Capital Assets	-	-	5,750	5,750
Total Other Financing Sources	-	-	63,442	63,442
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ (14,697,159)</u>	<u>\$ (91,027,643)</u>	11,299,177	<u>\$ 102,326,820</u>
RECONCILIATION TO GAAP BASIS				
Bond Principal Payments			2,338,807	
Debt Issuance Costs			25,455	
Change in Accrued Interest Payable			10,044	
Change in Compensated Absences Payable			17,748	
Developer Contributions			8,242,604	
Capital Outlay			15,755,610	
Depreciation and Amortization			(4,205,967)	
CHANGE IN NET POSITION - GAAP BASIS			33,483,478	
Net Position - Beginning of Year			286,523,933	
NET POSITION - END OF YEAR			<u>\$ 320,007,411</u>	

**TOWN OF ERIE, COLORADO
WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023
(NON-GAAP BUDGETARY BASIS)**

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 6,429,450	\$ 6,429,450	\$ 6,800,914	\$ 371,464
Capital Contributions and Fees	4,700,900	4,700,900	6,906,834	2,205,934
Investment Earnings	200,000	200,000	1,233,125	1,033,125
Total Revenues	11,330,350	11,330,350	14,940,873	3,610,523
EXPENSES				
Operating Expenses:				
Personnel Services	1,146,081	1,144,081	874,524	269,557
Operations and Maintenance	3,130,697	3,924,597	3,616,417	308,180
Capital Outlay	1,914,485	6,713,333	3,178,860	3,534,473
Debt Related Expenses:				
Principal Payments	2,260,000	2,260,000	741,204	1,518,796
Interest Expense	580,135	580,135	593,115	(12,980)
Total Expenses	9,031,398	14,622,146	9,004,120	5,618,026
OTHER FINANCING SOURCES				
Transfers In	-	-	8,098	8,098
Total Other Financing Sources	-	-	8,098	8,098
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ 2,298,952</u>	<u>\$ (3,291,796)</u>	5,944,851	<u>\$ 9,236,647</u>
RECONCILIATION TO GAAP BASIS				
Principal Payments			741,204	
Change in Accrued Interest Payable			2,609	
Change in Compensated Absences Payable			611	
Developer Contributions			8,722,339	
Capital Outlay			3,178,860	
Depreciation and Amortization			(2,109,250)	
CHANGE IN NET POSITION - GAAP BASIS			16,481,224	
Net Position - Beginning of Year			93,348,546	
NET POSITION - END OF YEAR			<u>\$ 109,829,770</u>	

TOWN OF ERIE, COLORADO
STORM DRAINAGE IMPACT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 1,852,000	\$ 1,852,000	\$ 1,905,894	\$ 53,894
Capital Contributions and Fees	-	-	10,000	10,000
Investment Earnings	22,145	22,145	213,630	191,485
Total Revenues	1,874,145	1,874,145	2,129,524	255,379
EXPENSES				
Operating Expenditures:				
Personnel Services	723,128	872,263	558,423	313,840
Operations and Maintenance	696,237	760,837	300,162	460,675
Capital Outlay	372,560	7,760,690	3,444,758	4,315,932
Debt Related Expenses:				
Principal Payments	14,088	14,088	22,145	(8,057)
Interest Expense	4,136	4,136	6,780	(2,644)
Total Expenses	1,810,149	9,412,014	4,332,268	5,079,746
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ 63,996</u>	<u>\$ (7,537,869)</u>	(2,202,744)	<u>\$ 5,335,125</u>
RECONCILIATION TO GAAP BASIS				
Principal Payments			22,145	
Change in Accrued Interest Payable			211	
Developer Contributions			10,988,996	
Capital Outlay			3,444,758	
Depreciation and Amortization			(1,067,051)	
CHANGE IN NET POSITION - GAAP BASIS			11,186,315	
Net Position - Beginning of Year			46,774,200	
NET POSITION - END OF YEAR			<u>\$ 57,960,515</u>	

TOWN OF ERIE, COLORADO
AIRPORT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
BUDGET AND ACTUAL
YEAR ENDED DECEMBER 31, 2023
(NON-GAAP BUDGETARY BASIS)

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Charges for Services	\$ 5,000	\$ 5,000	\$ 6,507	\$ 1,507
Investment Earnings	500	500	8,577	8,077
Miscellaneous	45,000	45,000	53,530	8,530
Total Revenues	50,500	50,500	68,614	18,114
EXPENSES				
Operating Expenses:				
Operations and Maintenance	51,728	51,728	22,113	29,615
Total Expenses	51,728	51,728	22,113	29,615
OTHER FINANCING SOURCES				
Transfers In	243,500	243,500	186,550	(56,950)
Total Other Financing Sources	243,500	243,500	186,550	(56,950)
CHANGES IN NET POSITION - BUDGET BASIS	<u>\$ 242,272</u>	<u>\$ 242,272</u>	233,051	<u>\$ (9,221)</u>
RECONCILIATION TO GAAP BASIS				
Depreciation and Amortization			(265,392)	
CHANGE IN NET POSITION - GAAP BASIS			(32,341)	
Net Position - Beginning of Year			3,819,084	
NET POSITION - END OF YEAR			<u>\$ 3,786,743</u>	

STATISTICAL SECTION

STATISTICAL SECTION INFORMATION

This part of the Town of Erie's annual comprehensive 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.

<u>Contents</u>	<u>Page</u>
Financial Trends <i>These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.</i>	113
Revenue Capacity <i>These schedules contain trend information to help the reader assess the Town's most significant local revenue sources, property, and sales taxes.</i>	117
Debt Capacity <i>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.</i>	125
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.</i>	130
Operating Information <i>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.</i>	132

**TOWN OF ERIE, COLORADO
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	2014	2015 (2)	2016	2017	2018	2019	2020	2021	2022 (3)	2023 (4)
Governmental Activities:										
Net Investment in Capital Assets	\$ 81,995,267	\$ 83,754,661	\$ 91,829,234	\$ 104,366,825	\$ 122,702,339	\$ 144,757,342	\$ 153,586,231	\$ 164,363,793	\$ 184,876,753	\$ 232,640,304
Restricted	18,521,700	21,372,046	20,657,054	26,561,257	32,617,869	32,768,998	46,605,118	61,250,141	71,344,789	77,620,942
Unrestricted	7,907,992	7,096,865	9,812,424	16,619,107	18,012,077	27,144,985	34,479,339	39,515,991	42,088,033	50,555,653
Total Governmental Activities Net Position	<u>\$ 108,424,959</u>	<u>\$ 112,223,572</u>	<u>\$ 122,298,712</u>	<u>\$ 147,547,189</u>	<u>\$ 173,332,285</u>	<u>\$ 204,671,325</u>	<u>\$ 234,670,688</u>	<u>\$ 265,129,925</u>	<u>\$ 298,309,575</u>	<u>\$ 360,816,899</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 144,136,677	\$ 138,280,725	\$ 161,759,392	\$ 190,333,252	\$ 199,949,037	\$ 223,256,751	\$ 244,297,057	\$ 277,608,597	\$ 301,984,842	\$ 347,534,533
Restricted	1,960,235	1,982,998	1,183,031	786,000	824,000	856,000	878,650	794,198	1,069,630	1,432,725
Unrestricted	22,935,815	31,991,085	45,517,350	46,221,528	70,305,325	91,797,796	99,686,616	113,229,889	127,411,291	142,617,181
Total Business-Type Activities Net Position	<u>\$ 169,032,727</u>	<u>\$ 172,254,808</u>	<u>\$ 208,459,773</u>	<u>\$ 237,340,780</u>	<u>\$ 271,078,362</u>	<u>\$ 315,910,547</u>	<u>\$ 344,862,323</u>	<u>\$ 391,632,684</u>	<u>\$ 430,465,763</u>	<u>\$ 491,584,439</u>
Primary Government:										
Net Investment in Capital Assets	\$ 226,131,944	\$ 222,035,386	\$ 253,588,626	\$ 294,700,077	\$ 322,651,376	\$ 368,014,093	\$ 397,883,288	\$ 441,972,390	\$ 486,861,595	\$ 580,174,837
Restricted	20,481,935	23,355,044	21,840,085	27,347,257	33,441,869	33,624,998	47,483,768	62,044,339	72,414,419	79,053,667
Unrestricted	30,843,807	39,087,950	55,329,774	62,840,635	88,317,402	118,942,781	134,165,955	152,745,880	169,499,324	193,172,834
Total Primary Government Net Position	<u>\$ 277,457,686</u>	<u>\$ 284,478,380</u>	<u>\$ 330,758,485</u>	<u>\$ 384,887,969</u>	<u>\$ 444,410,647</u>	<u>\$ 520,581,872</u>	<u>\$ 579,533,011</u>	<u>\$ 656,762,609</u>	<u>\$ 728,775,338</u>	<u>\$ 852,401,338</u>

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.

⁽³⁾ In 2022 the Town implemented GASB 87, which provides for the recognition of certain lease related amounts. Prior year amounts were not restated.

⁽⁴⁾ In 2023 the Town implemented GASB 96, which provides for the recognition of certain subscription-based technology agreement amounts. Prior year amounts were not restated.

TOWN OF ERIE, COLORADO
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015 (2)	2016	2017	2018	2019	2020	2021	2022 (3)	2023 (4)
EXPENSES										
Governmental Activities:										
General Government	\$ 4,173,232	\$ 6,364,236	\$ 3,624,195	\$ 4,601,379	\$ 6,372,190	\$ 10,886,195	\$ 10,512,723	\$ 8,351,209	\$ 13,281,516	\$ 16,465,989
Public Safety	2,810,944	3,065,695	3,564,444	3,911,466	4,125,915	5,322,831	5,599,006	6,994,602	8,542,802	9,778,482
Public Works	5,607,191	4,611,400	5,129,083	5,566,858	5,912,042	7,054,349	3,362,722	8,088,311	11,180,655	12,769,086
Parks and Recreation	4,591,031	6,248,337	6,478,449	7,106,468	7,658,937	8,619,341	6,261,294	9,293,615	11,110,189	13,188,269
Interest on Long-Term Debt	681,174	720,371	657,411	604,011	547,591	491,020	346,189	422,809	558,517	563,325
Total Governmental Activities Expenses	17,863,572	21,010,039	19,453,582	21,790,182	24,616,675	32,373,736	26,081,934	33,150,546	44,673,679	52,765,151
Business-Type Activities:										
Water	8,988,723	10,865,948	9,605,720	9,263,291	10,127,032	10,552,481	12,299,401	11,826,645	12,643,055	13,181,879
Wastewater	4,980,408	10,553,917	4,886,037	5,001,576	5,405,865	5,789,508	6,044,230	5,372,301	5,927,439	7,190,086
Storm Drainage	412,940	664,028	932,686	809,794	1,075,170	1,235,057	2,111,400	1,506,412	1,675,517	1,932,205
Airport	263,355	337,969	307,283	668,087	289,865	313,934	358,135	323,670	312,615	287,505
Housing Authority	119,300	112,370	116,252	335,939	-	-	-	-	-	-
Total Business-Type Activities Expenses	14,764,726	22,534,232	15,847,978	16,078,687	16,897,932	17,890,980	20,813,166	19,029,028	20,558,626	22,591,675
Total Primary Government Expenses	32,628,298	43,544,271	35,301,560	37,868,869	41,514,607	50,264,716	46,895,100	52,179,574	65,232,305	75,356,826
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
General Government	1,199,010	1,607,509	1,952,378	2,169,570	3,561,877	2,683,426	2,235,795	3,227,872	6,633,468	8,138,575
Public Safety	249,004	219,581	299,055	268,853	275,835	364,421	251,347	240,420	176,163	141,988
Public Works	2,021,365	2,164,559	2,411,375	3,178,241	2,720,956	2,871,912	2,704,752	3,544,739	3,723,357	3,154,201
Parks and Recreation	1,935,127	2,013,213	2,018,464	2,089,718	2,199,954	2,263,602	1,547,175	1,852,950	2,485,001	3,033,505
Operating Grants and Contributions	1,095,717	1,127,940	1,198,439	1,249,172	1,489,061	1,642,223	2,789,977	2,040,396	3,710,369	7,637,059
Capital Grants and Contributions	3,188,496	4,455,967	9,605,770	22,013,219	16,667,704	27,251,399	15,376,327	20,550,338	21,251,804	40,977,210
Total Governmental Activities Program Revenues	9,688,719	11,588,769	17,485,481	30,968,773	26,915,387	37,076,983	24,905,373	31,456,715	37,980,162	63,082,538
Business-Type Activities:										
Charges for Services:										
Water	6,514,590	7,131,476	8,278,284	9,044,664	10,251,306	10,429,799	12,654,777	12,325,727	13,193,795	11,571,276
Wastewater	4,267,375	4,143,696	4,320,614	4,439,911	5,096,131	5,486,900	5,806,390	6,067,831	6,470,593	6,800,914
Storm Drainage	427,761	514,714	660,450	795,580	1,146,469	1,513,384	1,611,680	1,655,485	1,787,794	1,905,894
Other Activities	82,478	85,794	89,736	21,928	8,475	10,027	5,690	4,938	4,847	6,507
Operating Grants and Contributions	54,829	74,100	20,190	346,239	14,644	15,000	80,642	53,850	-	-
Capital Grants and Contributions	9,196,375	13,603,985	24,893,959	28,156,435	32,299,315	42,523,477	28,341,075	42,841,773	36,940,393	56,509,170
Total Business-Type Activities Program Revenues	20,543,408	25,553,765	38,263,233	42,804,757	48,816,340	59,978,587	48,500,254	62,949,604	58,397,422	76,793,761
Total Primary Government Program Revenues	30,232,127	37,142,534	55,748,714	73,773,530	75,731,727	97,055,570	73,405,627	94,406,319	96,377,584	139,876,299

TOWN OF ERIE, COLORADO
CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	2014	2015 (2)	2016	2017	2018	2019	2020	2021	2022 (3)	2023 (4)
NET REVENUE (EXPENSE)										
Governmental Activities	\$ (8,174,853)	\$ (9,421,270)	\$ (1,968,101)	\$ 9,178,591	\$ 2,298,712	\$ 4,703,247	\$ (1,176,561)	\$ (1,693,831)	\$ (6,693,517)	\$ 10,317,387
Business-Type Activities	5,778,682	3,019,533	22,415,255	26,726,070	31,918,408	42,087,607	27,687,088	43,920,576	37,838,796	54,202,086
 Total Primary Government Net Revenue (Expense)	 (2,396,171)	 (6,401,737)	 20,447,154	 35,904,661	 34,217,120	 46,790,854	 26,510,527	 42,226,745	 31,145,279	 64,519,473
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Taxes	10,622,469	12,075,737	14,336,443	18,033,869	21,047,896	23,751,202	28,270,838	33,628,011	36,721,257	41,109,718
Intergovernmental - Unrestricted	207,505	249,784	91,578	78,323	128,227	291,898	-	-	-	-
Investment Earnings	169,030	127,840	201,007	376,733	925,222	1,411,789	817,090	(47,759)	841,978	6,196,019
Other Miscellaneous	613,890	379,013	403,763	258,643	1,293,000	1,180,904	2,087,996	1,359,217	2,415,198	5,136,540
Transfers In/Out	(228,157)	(9,349)	(33,719)	(3,207,559)	-	-	-	(2,786,401)	(12,037)	(252,340)
Total Governmental Activities	11,384,737	12,823,025	14,999,072	15,540,009	23,394,345	26,635,793	31,175,924	32,153,068	39,966,396	52,189,937
Business-Type Activities:										
Investment Earnings	132,694	127,247	252,507	477,847	1,131,438	2,080,168	1,201,192	(70,430)	851,660	6,543,125
Other Miscellaneous	61,202	65,952	121,267	176,374	132,472	664,410	63,496	133,814	139,358	121,125
Transfers In/Out	228,157	9,349	33,719	3,207,559	-	-	-	2,786,401	12,037	252,340
Total Business-Type Activities	422,053	202,548	407,493	3,861,780	1,263,910	2,744,578	1,264,688	2,849,785	1,003,055	6,916,590
 Total Primary Government General Revenue and Other Changes in Net Position	 11,806,790	 13,025,573	 15,406,565	 19,401,789	 24,658,255	 29,380,371	 32,440,612	 35,002,853	 40,969,451	 59,106,527
CHANGES IN NET POSITION										
Governmental Activities	3,209,884	3,401,755	13,030,971	24,718,600	25,693,057	31,339,040	29,999,363	30,459,237	33,272,878	62,507,324
Business-Type Activities	6,200,735	3,222,081	22,822,748	30,587,850	33,182,318	44,832,185	28,951,776	46,770,361	38,841,851	61,118,676
 Total Primary Government Changes in Net Position	 <u>\$ 9,410,619</u>	 <u>\$ 6,623,836</u>	 <u>\$ 35,853,719</u>	 <u>\$ 55,306,450</u>	 <u>\$ 58,875,375</u>	 <u>\$ 76,171,225</u>	 <u>\$ 58,951,139</u>	 <u>\$ 77,229,598</u>	 <u>\$ 72,114,729</u>	 <u>\$ 123,626,000</u>

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.

⁽³⁾ In 2022 the Town implemented GASB 87, which provides for the recognition of certain lease related amounts. Prior year amounts were not restated.

⁽⁴⁾ In 2023 the Town implemented GASB 96, which provides for the recognition of certain subscription-based technology agreement amounts. Prior year amounts were not restated.

TOWN OF ERIE, COLORADO
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund:										
Nondisposable	\$ 4,596,194	\$ 5,202,240	\$ 5,563,854	\$ 5,654,209	\$ 5,978,897	\$ 3,947,450	\$ 3,953,617	\$ 1,546,198	\$ 1,940,270	\$ 854,514
Restricted/Reserved	7,177,572	4,789,674	4,894,278	4,854,795	4,015,815	4,090,611	3,854,025	3,387,859	4,304,120	4,788,480
Assigned	131,230	41,842	250,058	230,835	253,913	1,428,579	919,618	2,587,676	3,491,184	4,575,086
Unassigned/Unreserved	7,895,100	6,875,429	9,824,378	16,020,667	17,436,060	20,670,166	29,013,058	40,190,862	39,019,318	42,780,035
Total General Fund	<u>\$ 19,800,096</u>	<u>\$ 16,909,185</u>	<u>\$ 20,532,568</u>	<u>\$ 26,760,506</u>	<u>\$ 27,684,685</u>	<u>\$ 30,136,806</u>	<u>\$ 37,740,318</u>	<u>\$ 47,712,595</u>	<u>\$ 48,754,892</u>	<u>\$ 52,998,115</u>
All Other Governmental Funds:										
Restricted/Reserved	\$ 16,173,493	\$ 16,582,372	\$ 15,199,524	\$ 21,172,707	\$ 28,110,032	\$ 28,678,387	\$ 42,539,370	\$ 57,029,714	\$ 68,435,343	\$ 76,275,573
Committed	151,996	130,154	141,528	172,047	204,434	236,823	259,622	277,235	309,838	386,949
Unassigned/Unreserved	(4,408,588)	(5,012,977)	(5,382,532)	(5,656,411)	(6,009,697)	(4,255,864)	(574,264)	(1,523,852)	(2,403,788)	(824,414)
Total All Other Governmental Funds	<u>\$ 11,916,901</u>	<u>\$ 11,699,549</u>	<u>\$ 9,958,520</u>	<u>\$ 15,688,343</u>	<u>\$ 22,304,769</u>	<u>\$ 24,659,346</u>	<u>\$ 42,224,728</u>	<u>\$ 55,783,097</u>	<u>\$ 66,341,393</u>	<u>\$ 75,838,108</u>

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, COLORADO
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
REVENUES										
Taxes	\$ 10,622,469	\$ 12,075,737	\$ 14,336,443	\$ 18,033,869	\$ 21,047,896	\$ 23,751,202	\$ 28,270,838	\$ 33,628,011	\$ 36,721,257	\$ 41,109,718
Intergovernmental	1,465,446	1,647,060	1,540,723	1,542,503	1,639,812	1,934,122	2,809,865	2,567,529	4,601,995	8,665,433
Licenses and Permits	1,534,533	1,855,274	2,209,044	2,837,483	3,699,178	2,849,759	2,674,326	4,211,015	3,618,380	3,752,246
Charges for Services	3,620,969	3,930,007	4,173,172	4,600,046	4,783,608	4,969,182	3,270,758	4,437,492	9,223,446	10,574,035
Fines and Forfeitures	249,004	219,581	299,055	268,853	275,835	364,421	251,347	240,420	176,163	141,988
Capital Contributions and Fees	2,604,363	4,331,583	4,432,454	8,943,896	9,377,666	9,852,885	17,070,945	16,795,257	13,737,708	13,366,770
Investment Earnings	169,030	127,840	201,007	376,732	925,222	1,411,789	817,090	(46,726)	841,978	6,196,019
Miscellaneous	203,135	315,850	303,042	555,948	769,663	577,803	907,633	1,048,686	1,140,303	1,311,384
Total Revenues	20,468,949	24,502,932	27,494,940	37,159,330	42,518,880	45,711,163	56,072,802	62,881,684	70,061,230	85,117,593
EXPENDITURES										
General Government	2,935,090	6,161,828	3,380,139	4,632,833	6,007,314	6,917,391	7,427,255	7,662,750	12,628,081	16,003,466
Public Safety	2,699,615	2,977,558	3,244,415	3,482,081	4,041,846	5,029,328	5,599,006	6,508,152	8,031,047	9,166,237
Public Works	3,973,497	2,793,781	2,980,586	2,991,570	3,028,797	3,429,778	3,234,109	4,309,441	7,196,959	8,328,128
Parks and Recreation	3,059,582	4,550,832	4,851,857	5,152,725	5,385,752	6,151,623	6,136,766	7,268,714	9,001,320	10,522,693
Capital Outlay	8,511,674	9,255,862	9,299,339	4,504,128	15,251,967	17,267,957	8,122,463	13,793,968	20,061,521	27,894,465
Debt Service:										
Principal	1,125,320	1,177,108	1,225,393	1,281,999	1,302,230	964,080	1,000,000	1,025,000	1,090,442	1,243,646
Interest	683,515	748,037	697,864	645,055	588,833	531,867	494,563	489,216	591,863	549,883
Bond Issuance Costs	110,693	-	-	-	-	-	-	158,470	1,025	-
Total Expenditures	23,098,986	27,665,006	25,679,593	22,690,391	35,606,739	40,292,024	32,014,162	41,215,711	58,602,258	73,708,518
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,630,037)	(3,162,074)	1,815,347	14,468,939	6,912,141	5,419,139	24,058,640	21,665,973	11,458,972	11,409,075
OTHER FINANCING SOURCES (USES)										
Transfers In	1,803,700	2,390,626	657,893	328,700	350,064	3,015,000	-	1,263,303	462,919	2,038,284
Transfers Out	(2,031,857)	(2,399,975)	(691,612)	(3,536,259)	(350,064)	(4,265,000)	-	(4,383,063)	(1,174,956)	(3,757,405)
Debt Proceeds (Inc. Leases and SBITAs)	6,508,716	-	-	-	-	34,462	-	4,018,000	88,811	332,028
Proceeds from Sale of Capital Assets	7,380	42,014	28,305	105,000	352,091	49,404	1,089,359	1,083,872	516,903	120,843
Insurance Recoveries	33,374	21,146	72,421	33,333	139,187	77,193	20,895	12,918	117,587	3,597,113
Proceeds from Litigation Settlements	370,000	-	-	-	45,147	476,500	-	-	-	-
Total Other Financing Sources (Uses)	6,691,313	53,811	67,007	(3,069,226)	536,425	(612,441)	1,110,254	1,995,030	11,264	2,330,863
NET CHANGES IN FUND BALANCES	<u>\$ 4,061,276</u>	<u>\$ (3,108,263)</u>	<u>\$ 1,882,354</u>	<u>\$ 11,399,713</u>	<u>\$ 7,448,566</u>	<u>\$ 4,806,698</u>	<u>\$ 25,168,894</u>	<u>\$ 23,661,003</u>	<u>\$ 11,470,236</u>	<u>\$ 13,739,938</u>
Debt Service as a Percentage of Noncapital Expenditures	12.40%	10.46%	11.74%	10.60%	9.29%	6.50%	6.26%	5.52%	4.37%	3.91%

Source: Town of Erie Finance Department

**TOWN OF ERIE, COLORADO
TAX REVENUES BY SOURCE
LAST TEN FISCAL YEARS**

Year	Property Tax	Sales Tax	Use Tax	Franchise Fees	Specific Ownership Tax	Total
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
2022	10,199,933	19,983,396	4,898,980	1,218,424	420,524	36,721,257
2023	9,387,986	21,647,034	7,185,724	1,246,032	368,576	39,835,352

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 2022 the levy was .412 mills.

TOWN OF ERIE, COLORADO
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS

Boulder County							
Year ⁽¹⁾	Residential Property	Commercial Property	Vacant Land	Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
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
2022	181,259,054	10,171,822	14,725,589	20,251,761	11,566,772	214,841,454	2,650,578,208
2023	190,940,874	11,808,344	22,145,999	20,671,346	12,217,221	233,349,342	2,892,816,968

Weld County							
Year ⁽¹⁾	Residential Property	Commercial Property	Vacant Land	Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Taxable Actual Value
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
2022	194,905,510	58,200,590	9,291,910	91,067,690	42,343,670	311,122,030	3,058,539,448
2023	229,754,570	61,034,770	10,397,610	115,463,193	45,625,733	371,024,410	3,237,859,553

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
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
2022	525,963,484	5,709,117,656	9.21	14.137
2023	604,373,752	6,130,376,521	9.86	13.909

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 2022 will be collected in the 2023 calendar year.

**TOWN OF ERIE, COLORADO
PRINCIPAL PROPERTY TAXPAYERS – BOULDER COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
EQR-Nine Mile LLC	\$ 6,573,018	1	3.55%	\$ -	-	- %
Century Land Holdings LLC	5,547,338	2	3.00	-	-	-
Public Service CO of Colorado - Xcel	5,440,814	3	2.94	-	-	-
Richmond American Homes of Colorado Inc	4,925,950	4	2.66	-	-	-
Lennar Colorado LLC	4,058,206	5	2.19	-	-	-
Lowes Home Centers LLC	3,144,888	6	1.70	-	-	-
Arapahoe Ridge Property LLC	3,046,680	7	1.65	-	-	-
JMJC Eleven LLC	2,602,866	8	1.41	-	-	-
Evergreen-287 and Aparhoe LLC	1,956,886	9	1.06	-	-	-
Lowes	1,408,189	10	0.77	-	-	-
Public Services Co. of Colorado	-	-	-	3,424,996	1	3.35
Encana Oil & Gas (USA) Inc.	-	-	-	2,600,829	2	2.54
Arapahoe Ridge Retail Center LLC	-	-	-	2,400,214	3	2.35
Meritage Homes of Colorado Inc.	-	-	-	2,390,292	4	2.34
Encana Oil & Gas (USA) Inc.	-	-	-	1,868,179	5	1.83
Melody Homes Inc.	-	-	-	1,502,123	6	1.47
Noble Energy Production Inc	-	-	-	1,480,870	7	1.45
JMJC Eleven LLC	-	-	-	1,356,228	8	1.33
Bayou Development Corp.	-	-	-	955,876	9	0.94
Tousa Recovery Acquisition LLC	-	-	-	870,898	10	0.85
Total	<u>\$ 38,704,835</u>		17.41 %	<u>\$ 18,850,505</u>		18.45 %

Source: Boulder County Assessor's Office

**TOWN OF ERIE, COLORADO
PRINCIPAL PROPERTY TAXPAYERS – WELD COUNTY
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2023			2014		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Cresone Peak Resources LLC	\$ 56,973,130	1	15.32 %	\$ -	-	- %
Dillon Companies Inc	5,379,920	2	1.45	-	-	-
Kerr McGee Gathering LLC	4,863,380	3	1.31	-	-	-
Public Service CO of Colorado (Xcel)	4,127,010	4	1.11	-	-	-
Park Homes LLC	3,909,040	5	1.05	-	-	-
United Power Inc	2,513,540	6	0.68	-	-	-
Superior Self Storage Management Company LLC	2,406,590	7	0.65	-	-	-
NSA Property Holdings LLC	2,198,520	8	0.59	-	-	-
Front Range Landfill 5305	1,952,420	9	0.52	-	-	-
Richmond American Homes of Colorado Inc	1,501,470	10	0.40	-	-	-
Encana Oil & Gas (USA) Inc	-	-	-	10,799,200	1	7.51
Synergy Resources Corporation	-	-	-	2,375,980	2	1.65
Kerr-McGee Oil & Gas Onshore LP	-	-	-	6,361,090	3	4.42
Public Service CO of Colorado (Xcel)	-	-	-	1,392,180	4	0.97
Kerr McGee Gathering LLC	-	-	-	1,320,770	5	0.92
Colorado National Golf Club LLC	-	-	-	1,070,660	6	0.74
Erie Commons Commercial Partners LLC	-	-	-	1,055,870	7	0.73
Waste Connections Inc	-	-	-	1,020,840	8	0.71
Magpul Industries Corporation	-	-	-	747,340	9	0.52
Kassity-Lowell Erie LLC	-	-	-	630,970	10	0.44
Total	<u>\$ 85,825,020</u>		23.07 %	<u>\$ 26,774,900</u>		18.61 %

Source: Weld County Assessor's Office

TOWN OF ERIE, COLORADO
PROPERTY TAX LEVY FROM DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN YEARS

Boulder County

Year	Town of Erie				Boulder County	St. Vrain Valley School District	Boulder Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District	Urban Drainage and Flood District	High Plains Library	Metro Districts ⁽²⁾	(Range) Total
	General Operating	General Obligation Bonds	Trails and Natural Areas	Total Direct									
Rates (In Mills) ⁽¹⁾													
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
2022	7.288	2.849	4.000	14.137	24.250	57.358	47.944	16.247	1.000	0.900	3.197	0.000 - 55.664	107.675 - 172.753
2023	7.288	2.621	4.000	13.909	21.287	57.238	48.024	16.247	1.000	0.900	3.196	0.000 - 67.562	104.563 - 113.777

Weld County

Year	Town of Erie				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
	General Operating	General Obligation Bonds	Trails and Natural Areas	Total Direct							
Rates (In Mills) ⁽¹⁾											
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
2022	7.288	2.849	4.000	14.137	15.038	57.358	16.247	1.000	3.197	15.000 - 77.928	106.977 - 184.905
2023	7.288	2.621	4.000	13.909	12.024	58.385	16.247	1.000	3.196	10.350 - 89.994	106.997 - 196.991

Sources: 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 2022 will be collected in 2023 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; Erie Highlands #'s 1-5, Morgan Hill #'s 1-3; redbtail Ranch; Summerfield #'s 1-3; Sunset Parks and Vista Ridge.

**TOWN OF ERIE, COLORADO
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
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
2022	7,435,546	7,716,705	103.78
2023	7,904,405	7,819,002	98.92

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 2022 will be collected in the 2023 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 2023 the levy was 0.412 mills.

**TOWN OF ERIE, COLORADO
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
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
2022	16,080,986	3,902,410	4,898,980	24,882,376	3.50
2023	17,163,799	4,483,235	7,185,724	28,832,758	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, COLORADO
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
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
2022	3.500	2.900	1.000	0.100	0.985	8.485
2023	3.500	2.900	1.000	0.100	1.185	8.685

Weld County				
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Total
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
2022	3.500	2.900	1.000	7.400
2023	3.500	2.900	1.000	7.400

Sources: Town of Erie Finance Office
Colorado Department of Revenue

**TOWN OF ERIE, COLORADO
PRINCIPAL SALES TAXPAYERS
LAST TEN YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Aggregate Top 10 Filers ⁽¹⁾	\$ 1,137,611	\$ 1,217,909	\$ 1,547,514	\$ 4,202,529	\$ 5,193,369	\$ 4,472,727	\$ 6,143,362	\$ 6,241,787	\$ 7,249,445	\$ 8,295,140
Aggregate All Other Filers	1,113,540	1,359,852	1,929,602	2,025,377	2,364,253	4,159,081	5,204,528	7,596,956	8,379,093	8,868,659
Total Sales Tax ⁽²⁾	<u>\$ 2,251,151</u>	<u>\$ 2,577,761</u>	<u>\$ 3,477,116</u>	<u>\$ 6,227,906</u>	<u>\$ 7,557,622</u>	<u>\$ 8,631,808</u>	<u>\$ 11,347,890</u>	<u>\$ 13,838,743</u>	<u>\$ 15,628,538</u>	<u>\$ 17,163,799</u>
Top 10 Filers as a Percentage of Total Tax	50.5%	47.2%	44.5%	67.5%	68.7%	51.8%	52.0%	45.1%	46.4%	48.3%

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, COLORADO
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

Fiscal Year	Governmental Activities		URA Revenue Bonds	Business-Type Activities				Total Primary Government	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Leases		Revenue Bonds/Loans ⁽¹⁾	Certificates of Participation	Leases	Mortgages and Other Loans Payable			
2014	\$ 21,249,523	\$ 195,470	\$ -	\$ 54,126,668	\$ 25,105,000	\$ -	\$ 745,832	\$ 101,422,493	8.56 %	\$ 5,046
2015	20,010,049	138,363	-	51,331,253	25,768,158	-	735,843	97,983,666	7.20	4,622
2016	18,707,714	82,969	-	49,398,754	25,088,650	-	665,499	93,943,586	6.46	4,194
2017	17,350,378	22,229	-	46,784,562	24,394,142	-	-	88,551,311	5.27	3,690
2018	15,938,459	-	-	44,104,764	23,689,627	-	-	83,732,850	4.40	3,233
2019	14,852,799	30,382	-	41,378,868	22,965,126	28,514	-	79,255,689	3.74	2,861
2020	13,745,525	73,586	-	38,571,880	22,225,618	82,118	-	74,698,727	5.55	2,558
2021	12,613,251	512,674	4,018,984	35,698,765	21,471,110	179,724	-	74,494,508	3.77	2,480
2022	11,435,976	1,567,857	4,025,308	32,729,499	20,701,602	457,942	-	70,918,184	2.52	2,257
2023	10,218,703	2,151,875	4,031,632	30,244,495	19,902,094	365,366	-	66,914,165	1.84	1,810

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.

**TOWN OF ERIE, COLORADO
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
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
2022	31,420	5,709,117,656	11,435,976	0.20	364
2023	36,835	6,130,676,521	10,218,703	0.17	277

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, COLORADO
DIRECT AND OVERLAPPING GENERAL BONDED DEBT
YEAR ENDED DECEMBER 31, 2023

	Outstanding General Bonded Debt	Percentage Applicable to the Town ⁽²⁾	Share of Debt Applicable to the Town
Direct Debt:			
Town of Erie (Including Erie Urban Renewal Authority)	\$16,402,210	100 %	\$16,402,210
Overlapping Debt ⁽¹⁾ :			
Boulder Valley School District	1,003,306,734	7	\$71,025,042
St. Vrain Valley School District	410,709,870	11	\$45,729,016
Northern Colorado Water Conservation District	104,384,620	2	\$2,221,673
Mountain View Fire District	4,105,000	43	\$1,777,244
Brennen Metro District	3,010,941	100	\$3,010,941
Colliers Hill Metro Districts 1-3	95,642,869	100	\$95,642,869
Erie Commons Metro Districts 1-3	39,472,856	100	\$39,472,856
Erie Corporate Center 1-3	3,000,000	100	\$3,000,000
Erie Farm Metro District	14,955,510	100	\$14,955,510
Erie Highlands Metro Districts 1-5	30,182,709	100	\$30,182,709
Flatiron Meadows Metro District	22,312,789	100	\$22,312,789
Jay Grove Metro District	8,470,000	100	\$8,470,000
Lost Creek Farm Metro District	1,804,000	100	\$1,804,000
Morgan Hill Metro Districts 1-3	29,585,711	100	\$29,585,711
Nine Mile Metro District	17,775,000	100	\$17,775,000
Parkdale Community Authority	4,230,000	100	\$4,230,000
Rex Ranch Metro District	24,898,246	100	\$24,898,246
Spring Hill Metro Districts 1-4	33,536,882	100	\$33,536,882
Vista Ridge Metro District	48,516,132	100	48,516,132
Westerly Metro Districts 1-4	1,899,899,869		498,146,619
Total Overlapping Debt	<u>3,799,799,738</u>		<u>996,293,239</u>
Total Direct and Overlapping General Bonded Debt	<u>\$ 3,816,201,948</u>		<u>\$ 1,012,695,449</u>

Source: Annual Financial Report of each government entity

⁽¹⁾ The following governments had no outstanding general bonded debt:

High Plains Library District, Boulder Valley Conservation District, Longmont Conservation District, Left Hand Water & Sanitation District, 232 Metro District, Four Corners Metro District, Parkdale Metro Districts 1-3, Redtail Ranch Metro District, Shores on Plum Creek Metro Districts 1-10, Summerfield Metro Districts 1-3, Sunset Parks Metro District.

⁽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, COLORADO
LEGAL DEBT MARGIN INFORMATION
LAST TEN YEARS**

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Debt Limit	\$ 70,581,786	\$ 73,170,157	\$ 89,743,263	\$ 94,865,701	\$ 118,914,195	\$ 130,019,324	\$ 155,482,394	\$ 150,163,225	\$ 171,273,530	\$ 183,920,296
Less: Net Debt Applicable to Limit	19,755,000	18,635,000	17,465,000	16,240,000	14,960,000	14,000,000	13,000,000	12,613,251	11,435,976	9,795,000
Legal Debt Margin	<u>\$ 50,826,786</u>	<u>\$ 54,535,157</u>	<u>\$ 72,278,263</u>	<u>\$ 78,625,701</u>	<u>\$ 103,954,195</u>	<u>\$ 116,019,324</u>	<u>\$ 142,482,394</u>	<u>\$ 137,549,974</u>	<u>\$ 159,837,554</u>	<u>\$ 174,125,296</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	27.99%	25.47%	19.46%	17.12%	12.58%	10.77%	8.36%	8.40%	6.68%	0.00%

Legal Debt Margin Calculation for Fiscal Year 2022:

Actual Valuation:

Boulder County

\$ 2,892,816,968

Weld County

3,237,859,553

Total Actual Valuation

\$ 6,130,676,521

Legal Debt Margin:

Debt Limitation:

3% of Total Assessed Valuation

\$ 183,920,296

Debt Applicable to Limitation:

Outstanding Balance of General Obligation Bonds

9,795,000

Legal Debt Margin

\$ 174,125,296

Source: Town of Erie Finance Department

**TOWN OF ERIE, COLORADO
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	
2014	\$ 14,265,470	\$ 4,090,660	\$ 10,174,810	\$ 1,500,000	\$ 1,334,204	\$ 2,834,204	3.59
2015	18,267,808	3,755,288	14,512,520	1,560,000	1,272,904	2,832,904	5.12
2016	22,824,241	4,769,246	18,054,995	1,625,000	1,122,156	2,747,156	6.57
2017	25,075,166	4,211,555	20,863,611	1,835,000	945,089	2,780,089	7.50
2018	31,495,779	4,822,378	26,673,401	1,785,000	914,506	2,699,506	9.88
2019	32,762,346	5,052,305	27,710,041	1,820,000	866,968	2,686,968	10.31
2020	33,480,209	5,765,605	27,714,604	1,880,000	808,981	2,688,981	10.31
2021	33,276,222	8,463,362	24,812,860	1,935,000	752,178	2,687,178	7.21
2022	33,276,222	8,463,362	24,812,860	2,015,000	678,979	2,693,979	9.21
2023	46,665,358	8,987,079	37,678,279	2,260,000	1,443,392	3,703,392	10.17

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.

**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	
2014	\$ 5,827,861	\$ 2,488,132	\$ 3,339,729	\$ 578,224	\$ 952,155	\$ 1,530,379	2.18
2015	6,710,717	2,557,448	4,153,269	600,491	934,736	1,535,227	2.71
2016	7,388,911	2,510,334	4,878,577	493,183	797,144	1,290,327	3.78
2017	7,984,720	2,780,013	5,204,707	636,647	670,389	1,307,036	3.98
2018	10,262,444	3,048,996	7,213,448	656,182	655,143	1,311,325	5.50
2019	9,855,016	3,302,018	6,552,998	667,010	644,016	1,311,026	5.00
2020	11,519,473	3,451,820	8,067,653	545,000	617,725	1,162,725	6.94
2021	13,663,957	2,754,347	10,909,610	570,000	606,825	1,176,825	9.27
2022	15,854,193	3,277,324	12,576,869	714,594	598,131	1,312,725	9.58
2023	23,671,311	4,548,948	19,122,363	715,481	580,135	1,295,616	14.76

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, COLORADO
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⁾
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
2022	31,420	2,815,012	89,593	36.4	5,885	2.7
2023	36,835	3,630,199	46,546	37.1	6,224	3.7

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

**TOWN OF ERIE, COLORADO
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

<u>Employer</u>	<u>2023</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
St. Vrain Valley School District	612	1	14.00 %
Town of Erie	552	2	13.00
King Soopers	247	3	6.00
Safeway	216	4	5.00
Lowe's	135	5	3.00
Boulder Valley School District	88	6	2.00
Relucent Plastics Solutions	60	7	1.00
Colorado National Golf Club	50	8	1.00
Elementum 3d	43	9	1.00
Boulder Community Health	30	10	1.00
Total	<u>2,033</u>		47.00 %

<u>Employer</u>	<u>2014</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Town Employment</u>
St. Vrain Valley School District	290	1	9.06 %
Town of Erie	269	2	8.41
Magnum Plastics	90	3	2.81
Safeway	80	4	2.50
Colorado National Golf Club	50	5	1.56
Primrose	43	6	1.34
Lazy Dog	30	7	0.94
CML RW	30	8	0.94
The Goddard School	24	9	0.75
Waste Connection	23	10	0.72
Total	<u>929</u>		29.03 %

TOWN OF ERIE, COLORADO
FULL-TIME EQUIVALENT EMPLOYEES BY FUNCTION
LAST TEN FISCAL YEARS

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government:										
Town Administration	5.0	5.0	5.0	6.0	6.0	6.0	6.0	10.0	10.0	10.0
Community Engagement	-	-	-	-	-	-	-	3.0	4.0	5.0
Economic Development	1.0	1.0	1.0	1.0	1.0	2.0	2.0	3.0	3.0	4.0
Finance	6.0	6.0	7.0	8.0	8.0	8.0	9.0	9.0	12.0	13.0
Human Resources	2.0	2.0	2.0	3.0	3.0	3.0	4.0	5.0	5.0	6.5
Information Technology	3.0	3.0	3.6	3.6	4.0	4.0	4.0	4.0	4.0	5.0
Planning and Development	15.0	16.0	18.0	23.0	26.0	25.0	26.0	28.0	23.0	26.0
Parks and Recreation	71.2	72.1	75.0	79.4	84.0	85.2	84.5	88.4	93.2	97.2
Public Safety	25.9	27.4	30.0	32.0	40.5	43.5	47.0	51.5	56.0	57.0
Public Works	35.6	35.7	37.4	43.0	43.0	43.0	45.0	45.5	57.0	66.0
Total	<u>164.7</u>	<u>168.2</u>	<u>179.0</u>	<u>199.0</u>	<u>215.5</u>	<u>219.7</u>	<u>227.5</u>	<u>247.4</u>	<u>267.2</u>	<u>289.7</u>

Source: Town of Erie Finance Department

**TOWN OF ERIE, COLORADO
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Recreation:										
Recreation/Community Center Visits	196,107	208,845	229,482	242,703	262,664	264,835	62,522	81,912	160,779	195,718
Recreation Activities	75,021	73,930	72,768	71,101	72,728	74,700	42,084	64,725	57,963	81,917
Community Events	3,504	3,031	2,987	4,334	4,237	6,282	1,554	10,147	13,912	11,229
Rentals	573	613	648	594	559	546	156	1,041	1,734	2,715
Police:										
Traffic Violations	1,255	1,420	1,897	1,474	1,852	2,635	1,712	2,178	1,268	1,653
Criminal Violations	275	385	404	211	183	332	321	299	152	404
Water:										
Number of Service Connections	7,195	7,561	8,048	8,547	9,193	9,859	10,265	10,843	11,587	12,332
Average Daily Flow (Million Gallons Per Day)	2.63	2.75	3.15	3.25	3.80	3.27	4.07	4.30	4.20	4
Wastewater:										
Number of Service Connections	6,912	7,242	7,732	8,220	8,875	9,421	9,983	10,589	11,590	11,997
Average Daily Flows (Million Gallons Per Day)	1.190	1.190	1.300	1.490	1.500	1.557	1.510	1.730	1.850	1.98

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

**TOWN OF ERIE, COLORADO
CAPITAL ASSETS BY FUNCTION
LAST TEN FISCAL YEARS**

Function/Program	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Parks and Recreation:										
Community Center	1	1	1	1	1	1	1	1	1	1
Parks	10	10	10	10	12	12	13	13	13	13
Park Acreage	136	136	136	136	150	150	157	157	163	163
Open Space Acreage	1,075	1,075	1,096	1,096	1,096	1,143	1,143	1,143	1,143	1,143
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	9	9	10	10	11	13	16	21	21	25
Public Works										
Streets (Miles)	134.0	134.0	135.0	154.0	154.0	157.6	158.5	161.9	168.2	341.7
Water:										
Water Mains (Miles)	137.0	149.5	157.0	165.0	181.0	189.5	195.0	205.5	217.5	232.6
Maximum Daily Capacity (Million Gallons Per Day)	12.2	12.2	12.2	12.2	12.2	12.2	18.9	18.9	18.9	16.7
Wastewater:										
Sanitary Sewers (Miles)	94.0	100.8	103.5	109.0	122.0	125.9	131.3	136.4	145.1	156.2
Maximum Daily Capacity (Million Gallons Per Day)	2.70	2.70	2.70	2.70	1.50	1.95	1.95	1.95	1.95	3.0
Storm Drainage:										
Storm Sewers (Miles)	44.0	49.7	53.0	59.0	64.0	64.6	72.6	82.2	118.7	80.03
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 and Recreation Department

**TOWN OF ERIE, COLORADO
PROPERTY VALUES AND CONSTRUCTION
LAST TEN FISCAL YEARS**

Year	Estimated Actual Property Value			Commercial Construction		Residential Construction	
	Commercial	Residential	Total	Number of Units	Value	Number of Units	Value
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
2022	235,766,237	5,669,633,615	5,905,399,852	13	58,481,551	719	194,014,745
2023	251,182,810	605,452,672	6,305,709,482	7	19,564,149	721	283,449,775

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

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COMPLIANCE SECTION

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND**

History of Net Revenues and Debt Service Coverage

	2019	2020	2021	2022	2023
Gross Revenues:					
Charges for Services	\$ 10,429,799	\$ 12,654,777	\$ 12,325,726	\$ 13,193,794	\$ 11,571,276
Tap Fees	20,404,933	19,986,944	28,671,412	19,377,186	21,632,647
Interest Income	1,370,664	786,177	(43,489)	691,342	5,087,793
Other Income	556,950	52,311	98,268	13,900	67,595
Total	<u>32,762,346</u>	<u>33,480,209</u>	<u>41,051,917</u>	<u>33,276,222</u>	<u>38,359,311</u>
Operation and Maintenance: Expenses ⁽¹⁾	<u>5,052,305</u>	<u>5,765,605</u>	<u>6,751,775</u>	<u>8,463,362</u>	<u>7,540,831</u>
Net Revenues	<u>\$ 27,710,041</u>	<u>\$ 27,714,604</u>	<u>\$ 34,300,142</u>	<u>\$ 24,812,860</u>	<u>\$ 30,818,480</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979	\$ 2,693,979	\$ 3,703,592
Pro-Forma Coverage Ratio	10.29x	10.29x	12.73x	9.21x	8.32x
Current Year Debt Service					\$ 3,703,592
Coverage Ratio - Current Year					8.32x
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 Firing 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
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
2022	638	1,037	17,004,986	28	2,372,200	666	19,377,186
2023	774	721	20,244,150	14	1,424,647	788	21,668,797

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

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND (CONTINUED)**

History of Water Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Irrigation Accounts</u>	<u>Total Accounts</u>	<u>% Change in Accounts</u>
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
2022	11,211	203	212	11,626	6.5
2023	11,908	216	224	12,348	6.2

Note: Irrigation accounts based on summer usage activity.

Largest Customers of the Water System

<u>Type of Business</u>	<u>2023 Revenue</u>	<u>% of Total ⁽¹⁾</u>
The Town	\$ 193,151	1.67 %
Homeowners Association	108,572	0.94
Homeowners Association	91,003	0.79
Homeowners Association	73,925	0.64
Homeowners Association	62,379	0.54
Homeowners Association	62,270	0.54
Commercial Business	61,688	0.53
The Town	61,139	0.53
Homeowners Association	59,179	0.51
Homeowners Association	55,462	0.48
Total	<u>\$ 828,768</u>	<u>7.16 %</u>

⁽¹⁾ Based on total charges for service of \$11,571,276.

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND (CONTINUED)**

Budget Summary and Comparison

	2022		2023	
	Final Budget	Actual	Final Budget	Actual
Working Capital - Beginning of Year	\$ 84,513,079	\$ 84,513,079	\$ 99,473,632	\$ 99,473,632
REVENUES				
Charges for Services	12,303,000	13,193,795	12,792,000	11,571,276
Connection Fees	16,085,063	19,377,186	16,118,192	12,344,761
Interest Income	527,000	691,342	527,000	5,087,793
Other Income	14,950	369,084	10,000	186,190
Total Revenues	<u>28,930,013</u>	<u>33,631,407</u>	<u>29,447,192</u>	<u>29,190,020</u>
Total Funds Available	113,443,092	118,144,486	128,920,824	128,663,652
OPERATING EXPENSES				
Administration	4,965,309	4,795,087	1,800,131	1,209,060
Distribution	420,018	321,095	184,230	467,429
Treatment	1,592,738	1,623,352	2,156,959	1,837,409
Meters	323,598	297,295	485,013	378,547
Debt Service	4,293,386	4,423,824	3,703,592	1,526,271
Capital Outlay	<u>83,100,600</u>	<u>7,582,270</u>	<u>31,032,165</u>	<u>4,065,863</u>
Total Operating Expenses	94,695,649	19,042,923	39,362,090	9,484,579
OTHER FINANCING SOURCES				
Transfers	100,000	12,037	-	57,692
Proceeds from Debt Issuance ⁽¹⁾	-	311,398	-	-
Total Other Financing Sources	<u>100,000</u>	<u>323,435</u>	<u>-</u>	<u>57,692</u>
OTHER CHANGES IN WORKING CAPITAL	<u>-</u>	<u>48,634</u>	<u>-</u>	<u>-</u>
CHANGE IN WORKING CAPITAL	<u>(65,665,636)</u>	<u>14,960,553</u>	<u>(9,914,898)</u>	<u>19,763,133</u>
WORKING CAPITAL - END OF YEAR	<u>\$ 18,847,443</u>	<u>\$ 99,473,632</u>	<u>\$ 89,558,734</u>	<u>\$ 119,236,765</u>

⁽¹⁾ 2022 represents a capital lease obligation.

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WATER ENTERPRISE FUND (CONTINUED)**

History of Revenues, Expenses, and Changes in Net Position

	Year Ended December 31,				
	2019	2020	2021	2022	2023
OPERATING REVENUES					
Charges for Services	\$ 10,429,799	\$ 12,654,777	\$ 12,325,727	\$ 13,193,795	\$ 11,571,276
OPERATING EXPENSES					
Personnel Services	2,305,940	2,480,835	1,105,768	1,209,060	1,182,715
Operations and Maintenance	2,746,365	3,284,770	5,179,327	5,825,302	6,358,116
Depreciation	3,738,035	3,954,365	3,911,356	4,056,950	4,205,967
Total Operating Expenses	8,790,340	9,719,970	10,196,451	11,091,312	11,746,798
NET OPERATING INCOME	1,639,459	2,934,807	2,129,276	2,102,483	(175,522)
NONOPERATING REVENUES (EXPENSES)					
Investment Income	1,370,664	786,177	(43,489)	691,342	5,087,793
Other, Net ⁽¹⁾	531,955	(828,788)	98,267	54,900	73,345
Interest Expense	(1,760,175)	(1,698,332)	(1,630,194)	(1,551,743)	(1,435,081)
Total Nonoperating Revenues (Expenses), Net	142,444	(1,740,943)	(1,575,416)	(805,501)	3,726,057
NET INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,781,903	1,193,864	553,860	1,296,982	3,550,535
Capital Contributions ⁽²⁾	26,845,844	19,986,944	31,502,294	23,756,944	29,875,251
Transfers In	-	-	178,797	12,037	57,692
CHANGES IN NET POSITION	28,627,747	21,180,808	32,234,951	25,065,963	33,483,478
Net Position - Beginning of Year	179,423,236	208,050,983	229,231,791	261,466,742	286,523,933
Prior Period Adjustments ⁽³⁾	-	-	-	(8,772)	-
NET POSITION - END OF YEAR	<u>\$ 208,050,983</u>	<u>\$ 229,231,791</u>	<u>\$ 261,466,742</u>	<u>\$ 286,523,933</u>	<u>\$ 320,007,411</u>

⁽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 \$6,416,000 in 2019, \$3,457,8226 in 2020, \$2,802,924 in 2021, \$4,024,574 in 2022, and \$16,964,943 in 2023.

⁽³⁾ In 2022 an adjustment to beginning net position was made in association with the implementation of GASB 87.

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
GENERAL FUND**

Budget Summary and Comparison

	2022		2023	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	\$ 27,324,000	\$ 31,349,334	\$ 31,825,000	\$ 36,017,753
Intergovernmental	1,497,000	2,514,356	1,523,000	2,007,689
Licenses and Permits	2,796,500	3,618,380	2,671,500	3,752,246
Fees and Charges for Services	8,476,636	9,188,962	10,420,838	10,486,352
Fines and Forfeitures	240,000	176,163	190,000	141,988
Investment Earnings	325,000	304,256	325,000	2,467,527
Miscellaneous	785,000	1,140,303	918,045	1,666,780
Total Revenues	41,444,136	48,291,754	48,198,383	56,816,304
EXPENDITURES				
Current Operating:				
General Government	12,737,315	11,297,718	15,181,478	14,661,868
Public Safety	8,198,624	8,021,645	9,416,439	9,166,761
Public Works	8,288,353	7,154,892	9,790,106	8,273,082
Parks and Recreation	8,963,424	8,859,126	10,247,749	10,311,056
Capital Outlay	17,480,881	10,883,991	21,010,395	12,433,828
Debt Service:				
Principal	1,070,000	1,090,442	1,110,000	1,243,682
Interest	422,213	427,863	379,413	385,883
Total Expenditures	57,160,810	47,735,677	67,135,580	56,476,160
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(15,716,674)	556,077	(18,937,197)	340,144
OTHER FINANCING SOURCES (USES)				
Transfers In	1,210,000	462,919	2,303,367	1,475,123
Transfers Out	(1,112,048)	(700,000)	(1,392,620)	(1,290,000)
Capital Leases	-	88,811	-	-
Sales of Capital Assets	-	516,903	910,747	120,843
Insurance Recoveries	332,600	117,587	-	3,597,113
Total Other Financing Sources (Uses)	430,552	486,220	1,821,494	3,597,113
NET CHANGES IN FUND BALANCE	(15,286,122)	1,042,297	(17,115,703)	3,937,257
Fund Balance, Beginning of Year	47,712,595	47,712,595	48,754,892	48,754,892
FUND BALANCE - END OF YEAR	<u>\$ 32,426,473</u>	<u>\$ 48,754,892</u>	<u>\$ 31,639,189</u>	<u>\$ 52,692,149</u>

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
GENERAL FUND (CONTINUED)**

	Year Ended December 31,				
	2019	2020	2021	2022	2023
REVENUES					
Taxes	\$ 20,750,132	\$ 24,080,039	\$ 29,133,082	\$ 31,349,334	\$ 36,017,753
Intergovernmental	1,687,735	2,566,167	2,202,934	2,514,356	2,007,689
Licenses and Permits	2,849,759	2,674,326	4,211,015	3,618,380	3,752,246
Fees and Charges for Services	4,940,856	3,250,445	4,419,377	9,188,962	10,486,352
Fines and Forfeitures	364,421	251,347	240,420	176,163	141,988
Capital Contributions and Fees	-	167,862	-	-	275,969
Investment Earnings	693,693	366,320	(18,392)	304,256	2,467,527
Miscellaneous	558,578	900,619	1,039,749	1,140,303	1,666,780
Total Revenues	31,845,174	34,257,125	41,228,185	48,291,754	56,816,304
EXPENDITURES					
Current Operating:					
General Government ⁽¹⁾	6,549,890	7,260,736	7,194,997	11,297,718	14,661,868
Public Safety	5,029,328	5,599,006	6,508,152	8,021,645	9,166,761
Public Works	3,429,778	3,362,722	4,258,974	7,154,892	8,273,082
Parks and Recreation	6,028,787	6,068,075	7,058,168	8,859,126	10,311,056
Capital Outlay	3,231,882	2,961,895	4,951,753	10,883,991	12,433,828
Debt Service:					
Principal	964,080	1,000,000	1,025,000	1,090,442	1,243,682
Interest	531,867	494,563	463,705	427,863	385,883
Total Expenditures	25,765,612	26,746,997	31,460,749	47,735,677	56,476,160
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	6,079,562	7,510,128	9,767,436	556,077	340,144
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	465,490	462,919	1,475,123
Transfers Out	(4,265,000)	-	(333,360)	(700,000)	(1,290,000)
Capital Leases	34,462	-	-	88,811	-
Sales of Capital Assets	49,404	72,489	59,793	516,903	120,843
Insurance Recoveries	77,193	20,895	12,918	117,587	3,597,113
Proceeds from Litigation Settlements	476,500	-	-	-	-
Total Other Financing Sources (Uses)	(3,627,441)	93,384	204,841	486,220	3,903,079
NET CHANGES IN FUND BALANCE	2,452,121	7,603,512	9,972,277	1,042,297	4,243,223
Fund Balance, Beginning of Year	27,684,685	30,136,806	37,740,318	47,712,595	48,754,892
FUND BALANCE - END OF YEAR	<u>\$ 30,136,806</u>	<u>\$ 37,740,318</u>	<u>\$ 47,712,595</u>	<u>\$ 48,754,892</u>	<u>\$ 52,998,115</u>

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

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND**

History of Net Revenues and Debt Service Coverage

	2019	2020	2021	2022	2023
Gross Revenues:					
Charges for Services	\$ 5,486,900	\$ 5,806,390	\$ 6,067,831	\$ 6,470,593	\$ 6,800,914
Tap Fees	3,241,428	5,348,514	7,613,747	6,315,397	6,906,834
Interest Income	639,135	364,288	(22,586)	127,073	1,233,125
Other	487,553	281	4,965	2,941,130	8,722,339
Total Gross Revenues	9,855,016	11,519,473	13,663,957	15,854,193	23,663,212
Operation and Maintenance Expenses ⁽¹⁾	3,302,018	3,451,820	2,754,347	3,277,324	4,490,330
Net Revenues	\$ 6,552,998	\$ 8,067,653	\$ 10,909,610	\$ 12,576,869	\$ 19,172,882
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	4.76x	5.86x	x	9.13x	13.92x
Current Year Debt Service					\$ 1,315,625
Coverage Ratio - Current Year					14.57x
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
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
2022	628	5,729,331	22	159,479	650	5,888,810
2023	722	6,379,200	7	232,153	729	6,611,353

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

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND (CONTINUED)**

History of Wastewater Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Total Accounts</u>	<u>% Change in Accounts</u>
2019	9,272	149	9,421	6.4 %
2020	9,828	155	9,983	6.0
2021	10,430	159	10,589	6.1
2022	11,416	174	11,590	9.5
2023	11,812	185	11,997	3.5

Largest Customers of the Wastewater System

<u>Type of Business</u>	<u>2023 Revenue</u>	<u>% of Total ⁽¹⁾</u>
Homeowners Association	\$110,269	0.02 %
Commercial Business	\$54,178	0.84
Commercial Business	\$52,595	0.81
Commercial Business	\$52,133	0.81
Commercial Business	\$30,633	0.47
Commercial Business	\$26,052	0.40
Commercial Business	\$24,421	0.38
The Town	\$23,945	0.37
School District	\$22,854	0.35
Homeowners Association	\$19,225	0.30
Total	<u>\$ 416,305</u>	<u>4.75 %</u>

⁽¹⁾ Based on total charges for service of \$6,470,593

**TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND (CONTINUED)**

Budget Summary and Comparison

	2022		2023	
	Final Budget	Actual	Final Budget	Actual
Working Capital - Beginning of Year	\$ 21,717,389	\$ 21,717,389	\$ 20,531,749	\$ 20,531,749
REVENUES				
Charges for Services	5,949,000	6,470,593	6,429,450	6,800,914
Tap Fees	4,882,897	6,315,397	4,700,900	6,906,834
Investment Income	200,000	127,073	200,000	1,233,125
Other Income	3,250	78,644	-	8,722,339
Total Revenues	11,035,147	12,991,707	11,330,350	23,663,212
Total Funds Available	32,752,536	34,709,096	31,862,099	44,194,961
OPERATING EXPENSES				
Administration	2,078,223	1,341,453	2,566,369	2,252,772
Collection	427,893	373,777	356,403	428,159
Treatment	1,418,244	1,556,856	1,797,272	1,752,340
Debt Service	1,331,770	1,325,217	2,260,000	741,204
Capital Outlay	13,786,454	9,670,107	580,135	593,115
Total Operating Expenses	19,042,584	14,267,410	7,560,179	5,767,590
OTHER FINANCING SOURCES				
Proceeds from Sale of Capital Assets	-	45,000	-	-
Proceeds from Debt Issuance	-	45,063	-	-
Total Other Financing Sources	-	90,063	-	-
NET CHANGE IN WORKING CAPITAL	(8,007,437)	(1,185,640)	3,770,171	17,895,622
WORKING CAPITAL - END OF YEAR	<u>\$ 13,709,952</u>	<u>\$ 20,531,749</u>	<u>\$ 24,301,920</u>	<u>\$ 38,427,371</u>

TOWN OF ERIE, COLORADO
CONTINUING DISCLOSURES
WASTEWATER ENTERPRISE FUND (CONTINUED)

History of Revenues, Expenses, and Changes in Net Position

	Year Ended December 31,				
	2019	2020	2021	2022	2023
OPERATING REVENUES					
Charges for Services	\$ 5,486,900	\$ 5,806,390	\$ 6,067,831	\$ 6,470,593	\$ 6,800,914
OPERATING EXPENSES					
Personnel Services	1,944,056	2,061,132	525,161	698,474	873,913
Operations and Maintenance	1,357,962	1,390,688	2,229,186	2,578,850	3,616,417
Depreciation	1,837,044	1,965,740	1,993,448	2,040,821	2,109,250
Total Operating Expenses	<u>5,139,062</u>	<u>5,417,560</u>	<u>4,747,795</u>	<u>5,318,145</u>	<u>6,599,580</u>
NET OPERATING INCOME	347,838	388,830	1,320,036	1,152,448	201,334
NONOPERATING REVENUES (EXPENSES)					
Investment Income	639,135	364,288	(22,586)	127,073	1,233,125
Other, Net	1,021	281	4,965	123,644	-
Interest Expense	<u>(650,446)</u>	<u>(626,670)</u>	<u>(624,506)</u>	<u>(609,294)</u>	<u>(590,506)</u>
Total Nonoperating Expenses, Net	<u>(10,290)</u>	<u>(262,101)</u>	<u>(642,127)</u>	<u>(358,577)</u>	<u>642,619</u>
NET INCOME BEFORE CONTRIBUTIONS	337,548	126,729	677,909	793,871	843,953
Capital Contributions ⁽¹⁾	10,201,532	5,348,514	9,596,446	9,132,883	15,629,173
Transfers In	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,098</u>
CHANGES IN NET POSITION	10,539,080	5,475,243	10,274,355	9,926,754	16,481,224
Net Position - Beginning of Year	<u>57,133,114</u>	<u>67,672,194</u>	<u>73,147,437</u>	<u>83,421,792</u>	<u>93,348,546</u>
NET POSITION - END OF YEAR	<u>\$ 67,672,194</u>	<u>\$ 73,147,437</u>	<u>\$ 83,421,792</u>	<u>\$ 93,348,546</u>	<u>\$ 109,829,770</u>

⁽¹⁾ Reflects developer contributions of infrastructure of \$6,474,000 in 2019, \$2,123,354 in 2020, \$1,982,699 in 2021, \$2,817,486 in 2022, and \$10,988,996 in 2023.



**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**

Town Council
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 the Town of Erie (the Town), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated September 13, 2024.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2023-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

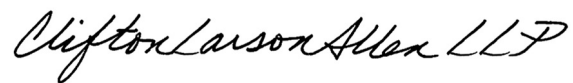
As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect 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*.

The Town's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Broomfield, Colorado
September 13, 2024



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

Town Council
Town of Erie
Erie, Colorado

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Town of Erie (the Town)'s compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement that could have a direct and material effect on each of the Town's major federal programs for the year ended December 31, 2023. The Town's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Town complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Town and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the Town's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Town's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Town's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Town's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Town's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the Town's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as item 2023-002. Our opinion on each major federal program is not modified with respect to this matter.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A *deficiency in internal control* over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control* over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control* over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023- 002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the Town's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The Town's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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



CliftonLarsonAllen LLP

Broomfield, Colorado
September 13, 2024

TOWN OF ERIE, COLORADO
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2023

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Federal Assistance Listing Number	Pass-Through Grantor's Number	Amount Provided to Subrecipients	Total Federal Expenditures
Department of Interior				
Passed through State of Colorado Department of Local Affairs:				
Minerals Leasing Act	15.437	F22MLG9393	\$ -	\$ 56,785
Outdoor Recreation Acquisition, Development and Planning	15.916	CTGG1 PMAA 2023*2668	-	449,697
Total Department of Interior			-	506,482
Department of Transportation				
COVID-19 Airport Improvement Program	20.106	3-08-0090-022-2023	-	186,878
Pass-Through Colorado Department of Transportation:				
Highway Planning and Construction	20.205	21-HA4-XC-00012	-	137,662
Highway Planning and Construction	20.205	20-HA4-XC-00049	-	231,689
Highway Planning and Construction	20.205	21-HA4-XC-00095	-	26,062
Total Department of Transportation			-	582,291
Department of Treasury				
Pass-Through Department of Local Affairs:				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	None Provided	-	4,614,266
Total Department of Treasury			-	4,614,266
Department of Health and Human Services				
Pass-Through Office of Early Childhood:				
Child Care and Development Fund Cluster:				
Child Care and Development Block Grant	93.575	None Provided	-	171,007
Total Department of Health and Human Services			-	171,007
Total Expenditures of Federal Awards			\$ -	\$ 5,874,046

See accompanying Notes to Schedule of Expenditures of Federal Awards.

TOWN OF ERIE, COLORADO
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
DECEMBER 31, 2023

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of the Town of Erie under programs of the federal government for the year ended December 31, 2023. No federal financial assistance was passed through to other entities. The information in this Schedule is presented in accordance with the requirements of 2 CFR Par 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Town of Erie, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Town of Erie.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance for all awards. Amounts reported in the Schedule are recognized on the modified accrual basis when they become a demand on current available federal resources and eligibility requirements are met, except in the following program, which is reported in the Schedule on the cash basis: Child Care and Development Block Grant Cluster 93.575.

NOTE 3 INDIRECT COST RATE

The Town of Erie has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED DECEMBER 31, 2023**

Section I – Summary of Auditors' Results

Financial Statements

1. Type of auditors' report issued: Unmodified
2. Internal control over financial reporting:
- Material weakness(es) identified? x yes no
 - Significant deficiency(ies) identified? yes x none reported
3. Noncompliance material to financial statements noted? yes x no

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? yes x no
 - Significant deficiency(ies) identified? x yes none reported
2. Type of auditors' report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? x yes no

Identification of Major Federal Programs

Assistance Listing Number(s)

21.027

Name of Federal Program or Cluster

COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Dollar threshold used to distinguish between Type A and Type B programs:

\$750,000

Auditee qualified as low-risk auditee?

 yes x no

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

Section II – Financial Statement Findings

2023 – 001

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: Several audit adjustments and trial balance revisions were necessary to properly state balances at year-end which include recording of year-end accruals, reconciliation of cash, adjustment for HSA payments, capital outlay reconciliation, and fund balances.

Criteria or Specific Requirement: Monthly maintenance of the trial balance and preparation of year-end closing entries in accordance with generally accepted accounting principles (GAAP) helps ensure that timely, accurate, and useful information is available to management and those charged with governance.

Effect: Not having proper controls over trial balance maintenance could result in inaccurate account balances and material adjustments.

Cause: Internal controls were not in place to ensure that monthly general ledger account reconciliations were completed and reviewed for all significant accounts during the fiscal year.

Repeat Finding: No.

Recommendation: Management should implement a monthly or quarterly financial closing process to assure that all significant matters impacting the financial statements are evaluated for compliance with GAAP and reconciled regularly.

Views of Responsible Officials and Planned Corrective Actions: There is no disagreement with the audit finding. The Town agrees that monthly and/or quarterly maintenance of the trial balance and monthly closing processes, as well as year-end closing entries should be controlled by formal process. The town plans to formalize via standard order of procedure (SOP) and task checklist for accounting staff to reference.

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs

2023 – 002

Federal Agency: Department of the Treasury

Federal Program Name: COVID-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Pass-Through Agency: None

Pass-Through Number(s): None

Award Period: 1/1/2023 – 12/31/2023

Compliance Requirement: Suspension and Debarment

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matters

Criteria or Specific Requirement: Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. “Covered transactions” include contracts for goods and services awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220. All non-procurement transactions entered into by a passthrough entity (i.e., subawards to subrecipients), irrespective of award amount, are considered covered transactions, unless they are exempt as provided in 2 CFR section 180.215. When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-Federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the Excluded Parties List System (EPLS) maintained by the General Services Administration (GSA) and available at <https://governmentcontractregistration.com/sam-registration-and-renewal/>, (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Condition: We noted that the Town does have policies and procedures in place for compliance with suspension and debarment requirements; however, we noted that the two vendors selected for testing had not been checked to verify they were not suspended or debarred.

Questioned Costs: None.

Context: The Town does have a policy and procedure to check a vendor’s suspension and debarment status either by checking the active record on SAM.gov, collecting a certification from the proposed entity, and/or adding a clause or condition to the covered transaction with that entity. The Town was not able to provide verification of the suspension and debarment status through review of SAM.gov, providing a certification from the vendor, or through a clause or condition within the signed contract. We did verify these vendors were not currently suspended or debarred through review of SAM.gov.

**TOWN OF ERIE, COLORADO
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED DECEMBER 31, 2023**

Section III – Findings and Questioned Costs – Major Federal Programs (Continued)

Cause: The Town did not verify either of the two vendors tested were in compliance with suspension and debarment requirements.

Effect: The Town could make a payment to a vendor or subrecipient who is suspended and/or debarred from participating in federal programs.

Repeat Finding: Yes, finding 2022-003.

Recommendation: The Town should update all contracts to include a suspension and debarment paragraph to verify status with every renewal.

Views of Responsible Officials: There is no disagreement with the audit finding.

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

Form Approved
OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/23	
This Information From The Records Of: Town of Erie		Prepared By: Angalee Russell	
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
1. Total receipts available			
2. Minus amount used for collection expenses			
3. Minus amount used for nonhighway purposes			
4. Minus amount used for mass transit			
5. Remainder used for highway purposes			
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway expenditures:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 6,462,716.35
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 2,337,839.36
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ -
2. General fund appropriations	\$ 6,244,357.69	b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 7,365,211.13	c. Other	
4. Miscellaneous local receipts (from page 2)	\$ 1,148,740.70	d. Total (a. through c.)	\$ -
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 3,114,022.22
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 11,914,577.93
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	
7. Total (1 through 6)	\$ 14,758,309.52	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	\$ -
C. Receipts from State government (from page 2)	\$ 1,670,676.41	2. Notes:	
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest	
E. Total receipts (A.7 + B + C + D)	\$ 16,428,985.93	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ -
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total expenditures (A.6 + B.3 + C + D)	\$ 11,914,577.93
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)			
	Opening Debt	Amount Issued	Closing Debt
A. Bonds (Total)			\$ -
1. Bonds (Refunding Portion)			\$ -
B. Notes (Total)			\$ -
V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)			
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements
	\$ 21,584,194.53	\$ 16,428,985.93	\$ 11,914,577.93
			\$ 26,098,602.53
			\$ -
Notes and Comments:			

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/23	

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 Assesments		a. Interest on investments	\$ 1,148,740.70
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 4,095,502.87	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 3,269,708.26	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 7,365,211.13	h. Other	
c. Total (a. + b.)	\$ 7,365,211.13	i. Total (a. through h.)	\$ 1,148,740.70
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 997,654.33	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	\$ 103,321.67	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 569,700.41	f. Other Federal ARPA	
f. Total (a. through e.)	\$ 673,022.08	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 1,670,676.41	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			\$ -
b. Engineering Costs			\$ -
c. Construction:			
(1). New Facilities			\$ -
(2). Capacity Improvements		\$ 1,034,527.63	\$ 1,034,527.63
(3). System Preservation		\$ 5,428,188.72	\$ 5,428,188.72
(4). System Enhancement And Operation			\$ -
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 6,462,716.35	\$ 6,462,716.35
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 6,462,716.35	\$ 6,462,716.35
(Carry forward to page 1)			
Notes and Comments:			



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