

TOWN OF ERIE | COLORADO



The Town of Erie's "Fire Station to Brewpub Civic Building Reuse Project" was presented with the 2015 Governor's Award for Downtown Excellence in the category of Best Adaptive Reuse.



Comprehensive Annual Financial Report

For The Year Ended
December 31, 2015

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Town of Erie, Colorado
 Comprehensive Annual Financial Report
 For the fiscal year ended December 31, 2015

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Introductory Section

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June 8, 2016

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

State Law requires that all general-purpose local governments publish within six months of the close of each fiscal year a complete set of audited financial statements. Pursuant to that requirement, we hereby issue this comprehensive annual financial report of the Town of Erie (the Town) for the fiscal year ended December 31, 2015.

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

CliftonLarsonAllen LLP, a firm of licensed certified public accountants, has audited the Town's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the Town for the fiscal year ended December 31, 2015, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the Town of Erie's financial statements for the fiscal year ended December 31, 2015, are fairly presented in conformity with GAAP. The independent auditors' report is presented at the beginning of the financial section of this report.

GAAP requires that management provide Management's Discussion and Analysis (MD&A), a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal should be read in conjunction with the MD&A. It is designed to complement the MD&A. The MD&A follows the independent auditors' report.

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, 2015, is approximately 23,000, with a planning area that includes 48 square miles in Boulder and Weld Counties. The Town levies property tax on real properties located within its boundaries, has a municipal sales and use tax, and is empowered by state statute to extend its corporate limits by annexation. Annexation occurs periodically when deemed appropriate by the governing Board and voters.

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

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

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

The annual budget serves as the foundation for the Town's financial planning and control. All departments submit requests for appropriation to the finance director. The finance director and Town administrator use these requests to begin developing a proposed budget. The budget is presented to the Board for review prior to October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. The Town's fiscal year ends on December 31. The appropriated budget is prepared by fund (e.g., general), department (e.g., police), and division (e.g., patrol). Department heads may transfer appropriations within a department. Transfers of appropriations between departments and funds, and appropriations increasing the budget, require Board of Trustee approval.

Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. For the General Fund and the Erie Urban Renewal Authority, budgetary comparisons are presented on pages 40 and 41, as part of the basic financial statements for the governmental funds. For all other governmental funds, these comparisons are presented in the nonmajor governmental funds subsection of this report, which begins on page 88. Budgetary comparisons for the proprietary funds begin on page 107.

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 its citizens. 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. But since 2000 the Town's population has almost quadrupled, reflecting growth in single-family residential homes. To support that growth, the Town assesses permit, impact, and tap fees and uses this revenue to pay for improvements such as parks, recreation facilities, and transportation infrastructure. In addition, these fees are used to develop water resources and water, wastewater, and storm drainage infrastructure.

Town sales tax revenues, representing approximately 24% of General Fund revenues and other sources of funds, grew steadily through 2007. After experiencing a decline in sales tax revenues in 2008, sales tax revenues have increased each year since then, growing by 11% in 2015 compared to 2014 and exceeding the pre-recession high of by 60%. The Town expects that sales tax revenues will continue to grow as residential and commercial development occurs in and around the community. In particular, the opening of a King Soopers on Highway 7, currently expected in late 2016, will significantly increase the Town's sales tax revenues. The Town continues to work on increasing the number of businesses throughout the community, including initiatives to enhance Historic Downtown Erie, Four Corners, Highway 287 and Arapahoe, and the Highway 7 corridor, among other areas of potential development.

Residential construction activity continued to show strength in 2015, with 422 permits issued compared to 291 in 2014. In preparing the Town's 2016 budget it was assumed that 400 residential permits would be issued. It is anticipated that building activity over the next few years will be significantly higher than in the 2009-2013 timeframe, barring an economic downturn. Currently several large developments with a planned total of more than 5,000 dwelling units are under construction, with additional developments expected to begin construction activities in 2016.

The immediate vicinity, including the Town, Boulder County, and Weld County, has an employed labor force of about 325,000. The Town's major employers range from retail to engineering to education to light manufacturing. At December 31, 2015, the Town government had 173 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 quality residential construction, leading to an estimated 70% increase in population over the next 10 years or so. This growth should translate into corresponding growth in the number and variety of businesses expected in the community in the future.

Long-term Financial Planning

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

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

Relevant Financial Policies

The Town adopted financial policies in 2003. These policies guide the financial operations of the Town and provide structure when developing the budget. The Town's budget policy provides that the fund balance in the General Fund will only be expended for one-time capital expenditures unless otherwise authorized by the Board of Trustees. The Town's operating reserve policy requires the Town to maintain a fund balance in the General Fund of 25% of the current year's budgeted operating expenditures, plus an additional reserve of \$7.5 million to provide a funding source for one-time or capital expenditures or for services in the event of severe economic conditions. Enterprise funds must maintain a ninety-day operating and maintenance expense reserve. Total General Fund reserves at year-end 2015 were less than the policy goals described above due to Board-approved advances to the URA to support its redevelopment efforts. These advances will be repaid as future urban renewal projects are undertaken and financed. But at 53% of related 2015 actual operating expenditures these reserve levels are very strong relative to similar towns. The strength of the Town's financial condition is evidenced by recent ratings of AA+ on its general obligation debt by Standard & Poor's.

Major Initiatives

The Town continues to provide necessary services to its residents. In 2015 the Town completed construction of a public safety and municipal court building and a 4 million gallon water storage tank, in addition to several other projects to expand and improve the Town's infrastructure and amenities.

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 comprehensive annual financial report for the fiscal year ended December 31, 2014. This was the eleventh consecutive year that the Town has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Respectfully submitted,



A.J. Krieger
Town Administrator



Steve Felten, CPA
Finance Director



Government Finance Officers Association

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

Presented to

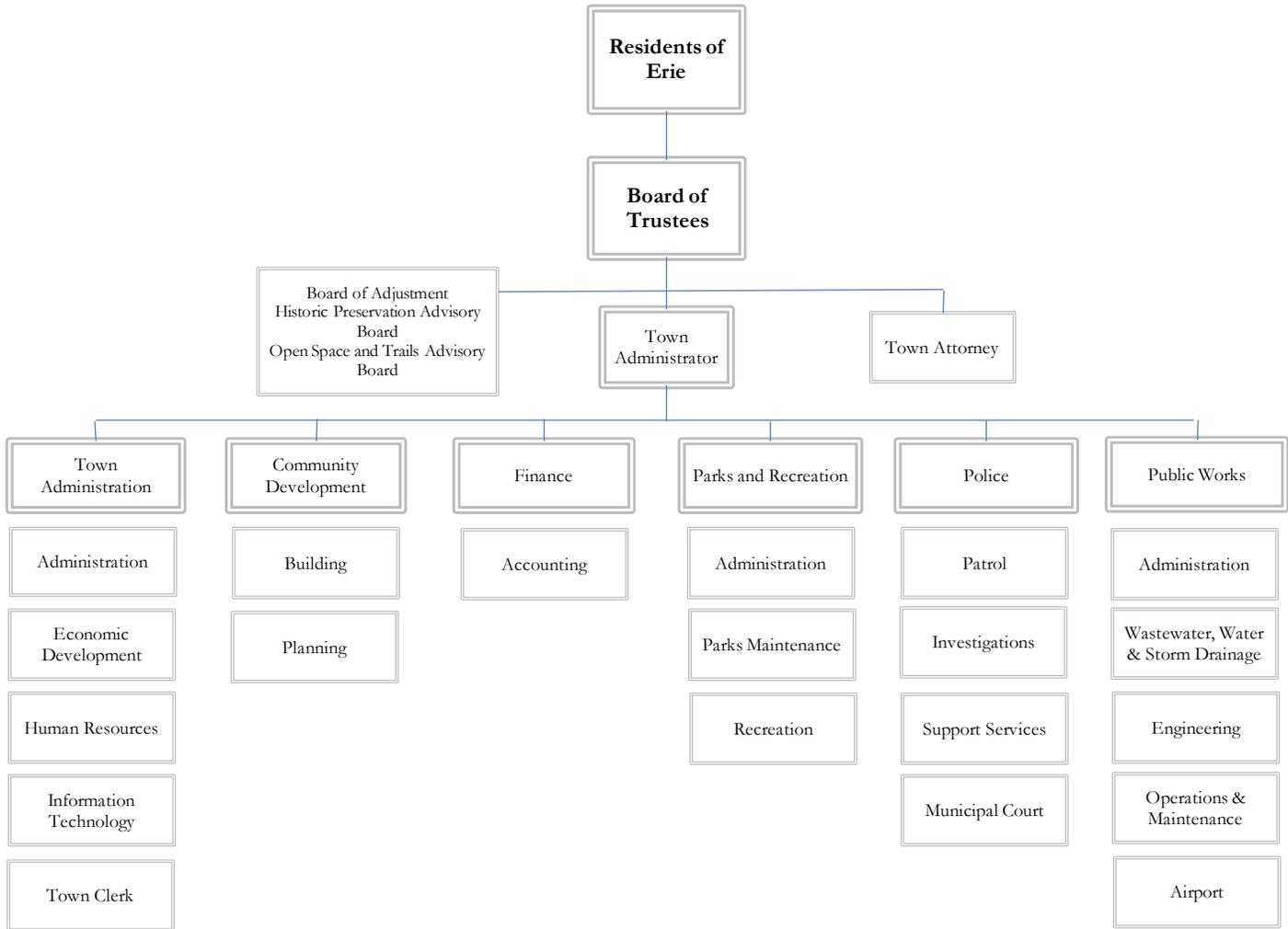
**Town of Erie
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2014

Executive Director/CEO

Organizational Chart



Town of Erie, Colorado
List of Town Officials

Elected Officials: Mayor and Board of Trustees

Tina Harris	Mayor
Mark Gruber	Mayor Pro-Tem
Jennifer Carroll	Trustee
Scott Charles	Trustee
Geoff Deakin	Trustee
Waylon Schutt	Trustee
Dan Woog	Trustee

Town Administration Officials

A.J. Krieger	Town Administrator
Mark Shapiro	Town Attorney
Nancy Parker	Town Clerk
Gary Behlen	Public Works Director
Farrell Buller	Parks and Recreation Director
Steve Felten	Finance Director
Marty Ostholthoff	Community Development Director
Marc Vasquez	Chief of Police

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

Financial Section

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Town of Erie
Erie, Colorado

Report on the Financial Statements

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, as of and for the year ended December 31, 2015, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Erie as of December 31, 2015, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund and the Erie Urban Renewal Authority for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of a Matter

During the year ended December 31, 2015, the Town adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and the related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. As a result of the implementation of these standards, the Town reported a restatement for the change in accounting principle (see Note V). Our opinions were not modified with respect to the restatement.

Other Matters

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 on pages 17 - 30 and 75 - 78 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town of Erie's basic financial statements. The combining and individual statements and schedules and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 8, 2016, on our consideration of the Town of Erie'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 to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on 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 of Erie's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Greenwood Village, Colorado
June 8, 2016

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Management's Discussion and Analysis

The Town of Erie's (Town) management offers readers this narrative overview and analysis of the Town's financial activities for the fiscal year ended December 31, 2015. 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 2015 by \$284.5 million (net position). Of this amount, \$39.1 million (unrestricted net position) may be used to meet the Town's ongoing obligations in accordance with financial policies.
- The Town's net position increased by \$6.6 million, or 2%. Governmental net position increased by \$3.4 million, or 3%, and business-type net position increased by \$3.2 million, or 2%.
- At December 31, 2015, the Town's governmental funds reported combined ending fund balances of \$28.6 million, a decrease of \$3.1 million from 2014. This decrease reflects the expenditure of \$4.8 million from restricted funds for the construction of the public safety building, paid for primarily through the issuance of a general obligation bond in 2014.
- The General Fund, the Town's primary operating fund, reported unassigned fund balance of \$6.9 million, representing 53% of actual operating expenditures for 2015.

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 of the Town's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between these

categories reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

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

Both of the 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 users 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, municipal airport, and the housing authority.

The government-wide financial statements can be found on pages 33-35 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 of 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 2015 the Town had twelve individual governmental funds, including the Town's urban renewal authority (URA). The General Fund is considered a *major fund*, as is the URA. Their fund information is presented separately in the governmental fund balance sheet and in 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. Budgetary comparison statements for the General Fund and URA 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 36-41 of this report.

Proprietary funds are used to account for essentially the same functions and information as business-type activities in the government-wide financial statements. The Town has five proprietary funds, also known as enterprise funds. Of these five funds, the Water Fund and Wastewater Fund are reported individually as major funds. Their fund information is presented separately in the proprietary funds statement of net position, statement of revenues, expenses, and changes in net position, and in the statement of cash flows. The remaining individual proprietary 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 four of its proprietary funds. Budgetary comparisons for the proprietary funds are included in a later section of this report. An annual budget is not prepared for the housing authority.

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

Notes to the Financial Statements. The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found on pages 45-74 of this report.

Required Supplementary Information providing certain supporting pension schedules can be found on pages 75-78.

Combining Statements for the nonmajor governmental funds and nonmajor proprietary funds (referred to earlier) are presented following the notes to the financial statements. In addition, budget schedules for nonmajor governmental funds and all of the proprietary funds other than the housing authority are also presented in this section. This information can be found on pages 79-110.

Government-wide Financial Analysis

Statement of Net Position. As noted above, over time net position may serve as a useful indicator of a government's financial position. As of December 31, 2015, the Town's net position (assets and deferred outflows of resources less liabilities and deferred inflows of resources) was \$284.5 million, an increase of \$6.6 million over the total at December 31, 2014. The Town reported positive balances in net position for both governmental and business-type activities. Net position increased by \$3.4 million in its governmental activities and \$3.2 million in its business-type activities.

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

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

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Assets						
Current and other assets	\$ 41,143	\$ 43,305	\$ 39,636	\$ 30,419	\$ 80,779	\$ 73,724
Capital assets	102,919	97,531	210,234	218,831	313,153	316,362
Total assets	144,062	140,836	249,870	249,250	393,932	390,086
Deferred Outflows of Resources	1,144	1,199	1,915	1,240	3,059	2,439
Liabilities						
Long-term liabilities	21,130	22,377	78,088	80,195	99,218	102,572
Other liabilities	6,822	6,584	1,442	1,262	8,264	7,846
Total liabilities	27,952	28,961	79,530	81,457	107,482	110,418
Deferred Inflows of Resources	5,030	4,252	-	-	5,030	4,252
Net Position						
Net investment						
in capital assets	83,755	81,995	138,281	144,137	222,036	226,132
Restricted	21,372	18,522	1,983	1,960	23,355	20,482
Unrestricted	7,097	8,305	31,991	22,936	39,088	31,241
Total net position	\$ 112,224	\$ 108,822	\$ 172,255	\$ 169,033	\$ 284,479	\$ 277,855

Note: 2014 amounts have been restated to reflect the change in accounting method for pension-related activity pursuant to GASB Statement Nos. 68. See Note III.F.1. on pages 67-70 for more information.

The Town's net investment in capital assets represents 78% of its net position. These capital assets are used to provide necessary services to citizens and therefore are not available for future spending. It should be noted that the resources to repay the debt must be provided from other sources, since capital assets themselves cannot be liquidated to provide the resources.

Restricted net position accounts for 8% of its 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 14% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

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

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

	Governmental Activities		Business-Type Activities		Total	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues						
Charges for services	\$ 6,003	\$ 5,405	\$ 11,876	\$ 11,292	\$ 17,879	\$ 16,697
Operating grants and contributions	1,128	1,096	74	55	1,202	1,151
Capital grants and contributions	4,455	3,188	13,604	9,196	18,059	12,384
General revenues						
Taxes	12,076	10,621	-	-	12,076	10,621
Grants	250	208	-	-	250	208
Investment earnings	128	169	127	133	255	302
Other	379	614	63	61	442	675
Total revenues	24,419	21,301	25,744	20,737	50,163	42,038
Expenses						
General government	6,364	4,173	-	-	6,364	4,173
Public safety	3,066	2,811	-	-	3,066	2,811
Public works	4,611	5,607	-	-	4,611	5,607
Parks and recreation	6,247	4,591	-	-	6,247	4,591
Interest on long-term debt	720	681	-	-	720	681
Water	-	-	10,866	8,989	10,866	8,989
Wastewater	-	-	10,554	4,980	10,554	4,980
Storm drainage	-	-	664	413	664	413
Airport	-	-	335	263	335	263
Erie Housing Authority	-	-	112	119	112	119
Total expenses	21,008	17,863	22,531	14,764	43,539	32,627
Increase in net position before transfers	3,411	3,438	3,213	5,973	6,624	9,411
Transfers	(9)	(228)	9	228	-	-
Increase in net position	3,402	3,210	3,222	6,201	6,624	9,411
Net position - beginning - restated	108,822	105,215	169,033	162,832	277,855	268,047
Net position - ending	\$ 112,224	\$ 108,425	\$ 172,255	\$ 169,033	\$ 284,479	\$ 277,458

Note: 2015 beginning net position has been restated to reflect the change in accounting method for pension-related activity pursuant to GASB Statemenmtn Nos. 68. Prior year amounts have not been restated. See Note III.F.1. on pages 67-70 for more information.

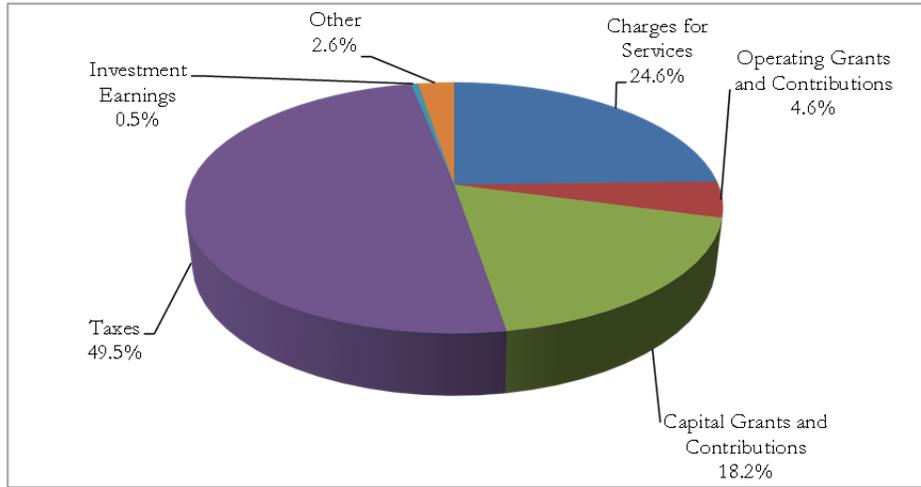
Governmental Activities – Revenues: During 2015, the Town's primary revenue sources for governmental operations were taxes, accounting for 49% of total governmental revenues. Charges for services made up 25% of total governmental revenues while capital grants and contributions represented 18%. Program revenues were \$9.4 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.

Taxes increased by \$1.5 million, or 14%, due primarily to an increase of \$1.1 million, or 20%, in sales and use taxes over 2014 amounts as the economy continued to improve and building activity increased. The Town issued 422 residential building permits in 2015, a 45% increase

compared to the 291 issued in 2014. Capital grants and contributions increased \$1.3 million, or 40%, also reflecting increased building activity in 2015. Charges for services increased \$0.6 million, or 11%, compared to 2014, reflecting increased levels of building activity and an increase in landfill fees.

The following chart provides the breakdown of revenues by source for 2015:

2015 Revenues by Source – Governmental Activities

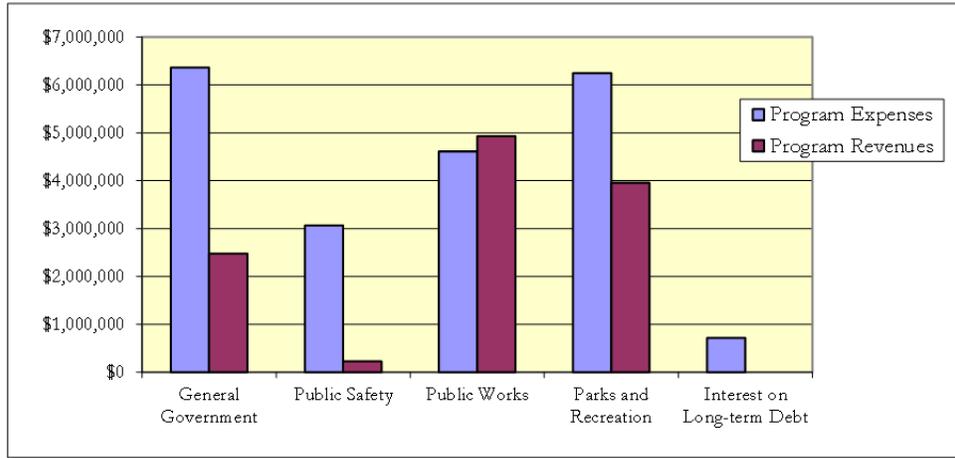


Governmental Activities – Expenses: Total governmental activities expenses were \$21.0 million in 2015, an increase of \$3.1 million, or 18%, compared to 2014. This increase was due largely to a \$3.0 incentive agreement with Kroger/King Soopers for the location of a King Soopers shopping center in the Town. Also contributing to the increase over 2014 was an increase of \$0.4 million, or 5%, in personnel expense, a result of normal salary increases, filling of open positions and the addition of two police officers. Higher levels of professional fees, street maintenance expenses and increased depreciation expense also caused the increase. Partially offsetting these items were 2014 expenses for 2013 flood-related repairs (\$0.5 million) and litigation expense (\$0.5 million).

In 2015 the Town adopted the provisions of GASB Nos. 68 and 71, which revised and established new financial reporting requirements for governments that provide their employees with pension benefits. The Town provides pension benefits to its police officers through FPPA, a cost-sharing multi-employer defined benefit pension plan. This plan is currently fully funded. Implementation of these new accounting requirements had the effect of increasing beginning net position \$0.4 million. The effect on current year expenditures was immaterial. Prior periods were not restated. Additional information can be found in Note III.F.1. on pages 67-70.

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

2015 Expenses and Offsetting Program Revenues – Governmental Activities

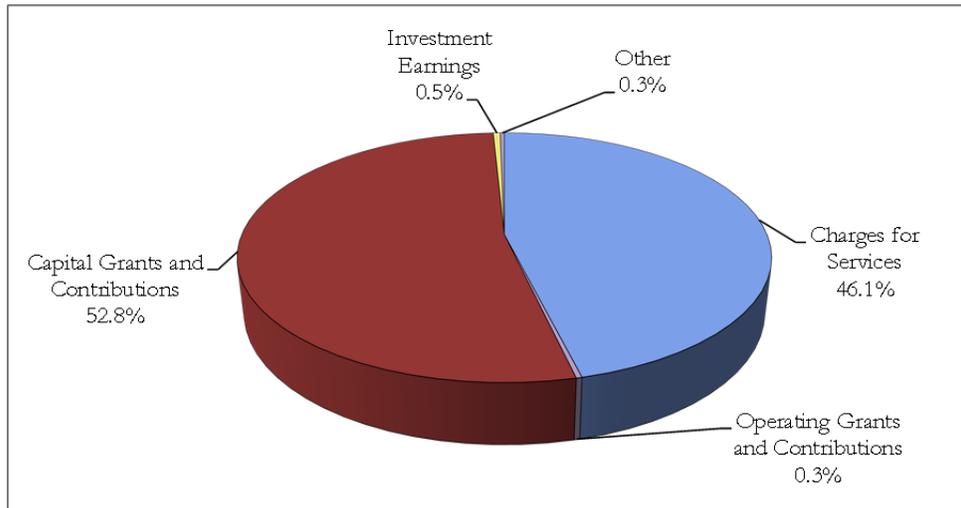


Business-type Activities – Revenues: Business-type activities primarily rely on charges for services to support related expenses. Charges for services of \$11.9 million for business-type activities represented 46% of 2015 revenues, and increased \$0.6 million, or 5%, compared to the prior year. This increase was due primarily to an increase in water rates pursuant to a rate study conducted in 2014, with increases in water rates effective January 1, 2015.

The other primary source of revenue, representing 53% 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 increased \$4.4 million, or 48%, compared to 2014, due primarily to higher levels of tap fees and other related fees arising from the increase in residential building activity during 2015.

The following chart provides the breakdown of revenues by source for 2015:

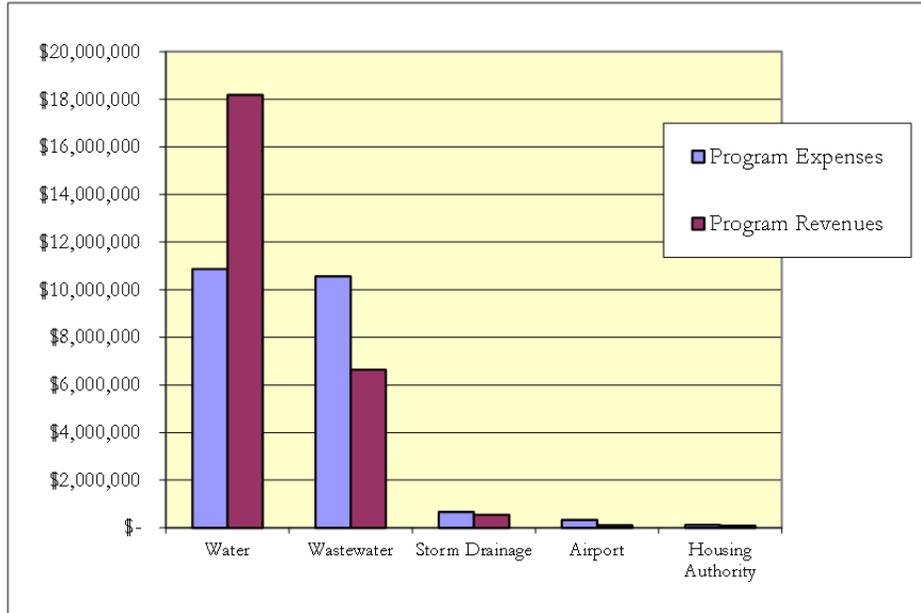
2015 Revenues by Source – Business-type Activities



Business-type Activities – Expenses: Business-type expenses were \$22.5 million in 2015, an increase of \$7.8 million, or 53%, compared to 2014. This increase was due almost entirely to non-cash charges in the Wastewater Fund and the Water Fund resulting from the write-off of assets no longer used in operations. Additional detail on these write-offs is provided in “Capital Assets” below. Excluding these charges, expenses increased \$0.1 million, or 1%, compared to 2014.

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

2015 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. In particular, unassigned fund balance may serve as a useful measure of a government’s net resources available for spending at the end of the fiscal year. 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 \$28.6 million. Of that amount, \$5.2 million was nonspendable, \$21.4 million was restricted, \$0.1 million was committed, and \$1.9 million was unassigned fund balance.

The General Fund, the primary operating fund of the Town, had a fund balance at December 31, 2015, of \$16.9 million, of which \$5.2 million was nonspendable, \$4.8 million was restricted, and \$6.9 million, was unassigned.

As just noted, the General Fund has \$5.2 million in nonspendable fund balance. This amount primarily represents the noncurrent portion of advances to the urban renewal authority, 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.

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 \$6.9 million represents 53% of total General Fund operating expenditures for 2015 (excluding the \$3.0 economic development incentive discussed above in "Government-wide Financial Analysis").

The Town has two General Fund reserve policies. The first is that a reserve of 25% of expenditures be maintained. Based on 2016 budgeted expenditures the required reserve is \$3.7 million. In addition, in 2010 the Town established a \$7.5 million reserve which may only be used with the approval of the Board of Trustees for one-time or capital expenditures, or in the event of revenue reductions due to severe economic conditions in order to prevent significant reduction in services.

The General Fund unassigned fund balance of \$6.9 million is less than the total of the two required policy reserves of \$11.2 million. However, as noted above, at 53% of current operating expenditures, management considers the General Fund unassigned fund balance to be very strong in both absolute terms and in comparison to similar municipalities. In addition, repayment of the \$5.0 million in advances to the URA will reduce the amount of nonspendable fund balance, increasing unassigned fund balance in an equal amount. Absent

these Board-approved advances, the minimum fund balance requirements would have been met.

Also available for certain General Fund streets and solid waste expenditures is the \$2.3 million reported as restricted funds. Prior to 2015 these funds were recorded in a separate fund, the Solid Waste/Streets Fund. To reduce the number of funds, in 2015 management decided to merge the Solid Waste/Streets Fund into the General Fund, effective January 1, 2015, resulting in a transfer to the General Fund of \$2.1 million. Permitted uses of these funds include certain public works personnel and operating costs, capital costs and debt service costs used for solid waste/streets activities. The funding source for these expenditures is landfill fees, reflected in fees and charges for services. In 2015 landfill fees totaled \$1.9 million; qualifying expenditures for 2015 were \$1.6 million.

Total fund balance of the General Fund decreased \$2.9 million for the current year. This decrease reflected expenditures totaling \$4.8 million from the remaining proceeds of general obligation bonds issued in 2014 for the construction of a new public safety and municipal court building, completed in 2015. Also of an unusual nature was an economic development incentive expenditure of \$3.0 million, as discussed above in “Government-wide Financial Analysis”. In addition, as discussed above, the merging of the Solid Waste/Streets Fund resulted in a transfer to the General Fund of \$2.1 million. Excluding the effect of the merging of the Solid Waste/Streets Fund into the General Fund and the expenditures related to the construction of the public safety building, General Fund expenditures exceeded revenues by \$0.1 million.

The other major governmental fund in 2015 was the URA. Prior to 2012 the URA had no significant activities. Since then, the URA has expended \$3.8 million for the purchase and improvement of real estate for future urban renewal projects. In addition, the URA has expended approximately \$1.2 million in operating expenses, primarily for legal and consulting fees to identify various urban renewal areas along with other related activities, along with allocated personnel costs of Town support staff. As discussed above, these expenditures were funded with advances by the General Fund, which will be repaid as urban renewal projects are undertaken.

Fund balances remain strong in the other governmental funds. Excluding the Town’s urban renewal authority, a total of \$16.7 million in fund balances are restricted or committed for future capital outlays and similar purposes.

See Note I.D.10. on pages 53-54, Note II.B. on page 55, Note III.D. on page 61 and Note IV.H. on page 73 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. All of the Town’s proprietary funds are enterprise funds engaged in business-type activities.

The total net position of all enterprise funds as of December 31, 2015, was \$172.3 million, of which \$32.0 million was unrestricted net position. Total net position increased \$3.2 million over the prior year, with unrestricted net position increasing \$9.1 million.

The \$3.2 million increase in total net position is attributable to an increase of \$7.4 million in net position in the Water Fund. This favorable change was due to an increase in capital contributions of \$3.4 million, or 45%, to \$11.0 million in 2015 as a result of increased building activity. Operating revenues (charges for services) were \$7.1 million, an increase of \$0.6 million, or 9%, compared to 2014 due to an increase in usage charges effective January 1, 2015, pursuant to a rate study conducted in 2014 and an increase in demand and the number of customers.

Operating expenses of the Water Fund decreased \$0.2 million, or 3%, to \$6.4 million, primarily due to repairs in 2014 of 2013 flood-related expenses, most of which either have been or will be reimbursed through federal and state grants. Also reflected in Water Fund operating results was a non-cash charge of \$2.0 million related to the write-off of an asset no longer used in its operations, discussed in more detail below in “Capital Assets” below.

In the Wastewater Fund net position decreased \$3.8 million. This decrease was due to a non-cash charge of \$5.6 million arising from the write-off of an idled treatment facility, discussed in more detail in “Capital Assets” below. Operating revenues (charges for services) were \$4.1 million, a \$0.1 million, or 3%, decrease from 2014. Capital contributions increased \$1.0 million, or 67%, compared to 2014 for the reasons discussed above. Operating expenses were unchanged from 2014 at \$4.0 million.

General Fund Budgetary Highlights

The 2015 General Fund original budget provided for a deficit of \$0.1 million, reflecting revenues of \$15.0 million, expenditures of \$17.0 million and other financing sources, net of other financing uses, of \$1.9 million. The final budget provided for a deficit of \$6.1 million, reflecting revenues of \$18.0 million, expenditures of \$26.4 million and other financing sources, net of other financing uses, of \$2.3 million.

The increase in the expenditure budget of \$9.5 million over the original budget was due primarily to supplemental appropriations of \$5.6 million for various capital projects, of which the new public safety building represented \$4.8 million. Also contributing to the increase was the supplemental appropriation of the \$3.0 million economic development incentive discussed above. The increase in budgeted expenditures was funded with additional revenues and fund balance, including \$4.8 million in bond proceeds.

Actual 2015 General Fund expenditures amounted to \$24.2 million, approximately \$2.2 million less than the final budget. This relationship was due to timing of capital expenditures and expense control. Actual revenues were \$0.9 million more than budget. As a result, the actual deficit was \$2.9 million, due primarily to construction costs of the new public safety facility, which was funded from bond proceeds. Additional information can be found in “Governmental Funds” above.

Capital Assets and Debt Administration

Capital Assets

The Town's capital assets net of accumulated depreciation as of December 31, 2015, for its governmental and business-type activities amounted to \$313.2 million, a net decrease of \$3.2 million from December 31, 2014. The decrease in capital assets was the result of \$8.1 million in depreciation and disposals of \$7.7 million (discussed further below), partially offset by \$12.6 million in additions. The investment in capital assets includes land, water rights, buildings, improvements, machinery, equipment, and vehicles. It includes governmental activities as well as water, wastewater, airport, storm drainage, and housing authority infrastructure.

Capital Assets as of December 31, 2015 and 2014 (net of accumulated depreciation, in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
Land	\$ 14,084	\$ 14,063	\$ 5,841	\$ 7,882	\$ 19,925	\$ 21,945
Water rights	-	-	75,390	75,390	75,390	75,390
Buildings	32,307	25,752	822	857	33,129	26,609
Improvements other than buildings	52,938	53,480	120,950	126,290	173,888	179,770
Machinery, equipment, and vehicles	1,965	1,219	607	568	2,572	1,787
Construction in progress	1,625	3,017	6,624	7,844	8,249	10,861
Total capital assets	<u>\$ 102,919</u>	<u>\$ 97,531</u>	<u>\$ 210,234</u>	<u>\$ 218,831</u>	<u>\$ 313,153</u>	<u>\$ 316,362</u>

Major capital improvements during the fiscal year ended December 31, 2015, included the following:

Governmental Activities (total additions - \$8.9 million)

- Construction of public safety facility (\$5.4 million)
- Various street improvements (\$1.3 million)
- Purchase of dump trucks and police vehicles (\$0.7 million)

Business-type Activities (total additions - \$3.7 million)

- Erie Lake bypass pipeline project (\$1.6 million)
- Completion of a 4 million gallon water storage tank (\$0.4 million, for a total cost of \$4.0 million including costs incurred in prior years)

During 2015 the Town wrote off the remaining book value of the South Water Reclamation Facility (SWRF) in the amount of \$5.6 million in its Wastewater Fund. This facility was idled in 2011 after construction of the North Water Reclamation Facility (NWRf). With expected growth in demands on the NWRf it was determined that additional capacity was needed, with construction to start in 2015. A third-party study was conducted to determine the most cost effective option for providing additional capacity – either bringing the SWRF current from a regulatory and operational standpoint or expanding the NWRf. It was determined that expanding the NWRf was the most cost effective option.

Town staff is investigating possible alternative uses for the SWRF. Due to the uncertainties surrounding its future use, management decided to write off the remaining book value of the SWRF in 2015. No decommissioning costs are currently anticipated related to the idling of this facility.

In 2015 the Town wrote off its investment in a water reservoir in the Water Fund that was no longer required for its operations, resulting in a non-cash loss of \$2.0 million.

Additional information on the Town's capital assets can be found in Note III.C. on pages 59-60 of this report.

Long-Term Debt

At the end of 2015, the Town had \$98.0 million in total outstanding long-term debt, a decrease of \$3.4 million from December 31, 2014. Of this amount, \$20.0 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 following table summarizes long-term debt outstanding as of December 31, 2015, and 2014.

Outstanding Debt as of December 31, 2015 and 2014 (in thousands)

	Governmental Activities		Business-type Activities		Total Primary Government	
	2015	2014	2015	2014	2015	2014
General obligation bonds	\$ 20,010	\$ 21,250	\$ -	\$ -	\$ 20,010	\$ 21,250
Revenue bonds and loans	-	-	52,689	54,127	52,689	54,127
Certificates of participation	-	-	24,410	25,105	24,410	25,105
Mortgages and loans payable	-	-	736	746	736	746
Capital lease obligations	138	195	-	-	138	195
Total debt outstanding	\$ 20,148	\$ 21,445	\$ 77,835	\$ 79,978	\$ 97,983	\$ 101,423

During 2015 the Town refunded \$12.2 million of water revenue bonds issued in 2007, originally issued primarily for the construction of various pipelines and pumping stations. Total interest savings over the life of the refunding period will be \$1.3 million (\$0.9 million on a present value basis). These refunding bonds were rated A1 by Moody's Investor Services.

State statutes limit the amount of general obligation debt the Town may issue to 3% of estimated actual valuation. The current debt limitation for the Town is \$89.7 million.

Additional information on the Town's long-term debt can be found in Note III.E. on pages 61-66 of this report.

Economic Factors and Next Year's Budget

There are several factors that 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.

After several years of flat single family residential growth (2008-2011), which followed a decade of very rapid growth (1998-2007), local residential construction has increased significantly since 2011, with building permits increasing from 108 in 2011 to 422 in 2015. and 400 projected for 2016. The Town will continue to conserve resources until its commercial base grows, providing consistent and higher levels of sales and use tax. The Town has set aside significant amounts of reserves in the General Fund to enable it to continue to provide required services should an economic downturn occur.

The 2016 budget was approved by the Board of Trustees in December 2015. The General Fund, the Town's primary operating fund, has a budgeted surplus of \$279 thousand. Staffing to be funded by the General Fund was increased by 7 fulltime equivalent employees to address growth requirements, including 3 positions in the police department and 2 positions in the planning and permitting areas.

Financial Contact

This financial report is designed to provide users (citizens, 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, 645 Holbrook St., Erie, CO, 80516.

Basic Financial Statements

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Town of Erie, Colorado
Statement of Net Position
December 31, 2015

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Pooled Cash and Investments	\$ 33,969,112	\$ 32,401,042	\$ 66,370,154
Restricted Cash and Investments	-	5,595,135	5,595,135
Receivables, Net of Allowance for Uncollectibles	6,581,024	1,341,805	7,922,829
Internal Balances	170,000	(170,000)	-
Prepaid Items	47,867	468,913	516,780
Capital Assets Not Being Depreciated			
Land and Water Rights	14,084,350	81,231,759	95,316,109
Construction in Progress	1,624,503	6,623,531	8,248,034
Capital Assets, Net of Accumulated Depreciation	87,210,578	122,378,259	209,588,837
Net Pension Asset	373,881	-	373,881
Total Assets	144,061,315	249,870,444	393,931,759
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Charges on Refunding	983,642	1,914,622	2,898,264
Contributions Subsequent to Measurement Date	131,094	-	131,094
Change in Investment Earnings	29,472	-	29,472
Total Deferred Outflows of Resources	1,144,208	1,914,622	3,058,830
LIABILITIES			
Accounts Payable	610,568	706,556	1,317,124
Accrued Interest Payable	57,932	381,115	439,047
Accrued Wages Payable	92,342	38,235	130,577
Other Liabilities	5,320,238	85,464	5,405,702
Unearned Revenue	740,737	230,630	971,367
Noncurrent Liabilities:			
Due within one year	2,029,511	3,786,721	5,816,232
Due in more than one year	19,100,358	74,301,537	93,401,895
Total Liabilities	27,951,686	79,530,258	107,481,944
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	5,005,846	-	5,005,846
Change in Experience	7,700	-	7,700
Change in Proportionate Share	16,719	-	16,719
Total Deferred Inflows of Resources	5,030,265	-	5,030,265
NET POSITION			
Net Investment in Capital Assets	83,754,661	138,280,725	222,035,386
Restricted			
Capital Projects	14,580,550	-	14,580,550
Parks and Open Space	3,796,795	-	3,796,795
Solid Waste/Streets	2,328,251	-	2,328,251
Public Safety	6,219	-	6,219
Bond Reserves	-	838,910	838,910
Operations and Maintenance Reserves	-	731,550	731,550
Emergencies	660,231	-	660,231
Water Rights Purchase Escrow	-	412,538	412,538
Unrestricted	7,096,865	31,991,085	39,087,950
Total Net Position	\$ 112,223,572	\$ 172,254,808	\$284,478,380

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

Town of Eric, Colorado
Statement of Activities
For the Year Ended December 31, 2015

	Expenses	Program Revenues			Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
FUNCTION ACTIVITIES					
Primary Government					
Governmental Activities					
General Government	\$ 6,364,236	\$ 1,607,509	\$ 69,708	\$ 801,369	\$ 2,478,586
Public Safety	3,065,695	219,581	4,642	-	224,223
Public Works	4,611,400	2,164,559	879,392	1,887,702	4,931,653
Parks and Recreation	6,248,337	2,013,213	174,198	1,766,896	3,954,307
Interest on Long-Term Debt	720,371	-	-	-	-
Total Governmental Activities	21,010,039	6,004,862	1,127,940	4,455,967	11,588,769
Business-type Activities					
Water	10,865,948	7,131,476	15,710	11,040,531	18,187,717
Wastewater	10,553,917	4,143,696	-	2,500,734	6,644,430
Storm Drainage	664,028	514,714	-	25,505	540,219
Airport	337,969	5,611	58,390	37,215	101,216
Eric Housing Authority	112,370	80,183	-	-	80,183
Total Business-type Activities	22,534,232	11,875,680	74,100	13,603,985	25,553,765
Total Primary Government	\$ 43,544,271	\$ 17,880,542	\$ 1,202,040	\$ 18,059,952	\$ 37,142,534

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

	Net (Expense) Revenue and Changes in Net Position		
	Primary Government		
	Governmental Activities	Business-type Activities	Total
	\$ (3,885,650)	\$ -	\$ (3,885,650)
	(2,841,472)	-	(2,841,472)
	320,253	-	320,253
	(2,294,030)	-	(2,294,030)
	(720,371)	-	(720,371)
	<u>(9,421,270)</u>	<u>-</u>	<u>(9,421,270)</u>
	-	7,321,769	7,321,769
	-	(3,909,487)	(3,909,487)
	-	(123,809)	(123,809)
	-	(236,753)	(236,753)
	-	(32,187)	(32,187)
	<u>-</u>	<u>3,019,533</u>	<u>3,019,533</u>
	<u>(9,421,270)</u>	<u>3,019,533</u>	<u>(6,401,737)</u>
GENERAL REVENUES			
Taxes:			
Property	4,316,592	-	4,316,592
Sales and Use	6,762,462	-	6,762,462
Franchise	717,589	-	717,589
Specific Ownership	279,094	-	279,094
Grants and Contributions not Restricted			
to Specific Programs	249,784	-	249,784
Investment Earnings	127,840	127,247	255,087
Miscellaneous and Other	379,013	65,952	444,965
Transfers In (Out)	(9,349)	9,349	-
Total General Revenues and Transfers	<u>12,823,025</u>	<u>202,548</u>	<u>13,025,573</u>
Changes in Net Position	3,401,755	3,222,081	6,623,836
Net Position - Beginning (as restated)	<u>108,821,817</u>	<u>169,032,727</u>	<u>277,854,544</u>
Net Position - Ending	<u>\$ 112,223,572</u>	<u>\$ 172,254,808</u>	<u>\$ 284,478,380</u>

Town of Erie, Colorado
Balance Sheet
Governmental Funds
December 31, 2015

	General Fund	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Pooled Cash and Investments	\$ 17,120,994	\$ -	\$ 16,848,118	\$ 33,969,112
Receivables	5,150,066	249,140	1,181,818	6,581,024
Prepaid Items	31,267	-	-	31,267
Advances to Other Funds	5,170,973	-	-	5,170,973
Total Assets	<u>\$ 27,473,300</u>	<u>\$ 249,140</u>	<u>\$ 18,029,936</u>	<u>\$ 45,752,376</u>
LIABILITIES				
Accounts Payable	\$ 442,360	\$ 10,311	\$ 157,898	\$ 610,569
Wages Payable	89,967	1,693	682	92,342
Other Liabilities	5,320,238	-	-	5,320,238
Advances from Other Funds	-	5,000,973	-	5,000,973
Unearned Revenue	740,737	-	-	740,737
Total Liabilities	<u>6,593,302</u>	<u>5,012,977</u>	<u>158,580</u>	<u>11,764,859</u>
DEFERRED INFLOWS OF RESOURCES				
Property Taxes	3,597,876	249,140	1,158,830	5,005,846
Unavailable Fund Resources	372,937	-	-	372,937
Total Deferred Inflows of Resources	<u>3,970,813</u>	<u>249,140</u>	<u>1,158,830</u>	<u>5,378,783</u>
FUND BALANCES				
Nonspendable				
Interfund Advances - Noncurrent	5,170,973	-	-	5,170,973
Prepaid Items	31,267	-	-	31,267
Restricted for:				
Capital Projects	1,801,192	-	12,779,358	14,580,550
Parks and Open Space	-	-	3,796,795	3,796,795
Solid Waste/Streets	2,328,251	-	-	2,328,251
Emergency Reserves	660,231	-	-	660,231
Public Safety	-	-	6,219	6,219
Committed to:				
Cemetery Operations	-	-	130,154	130,154
Assigned to:				
Purchases on Order	41,842	-	-	41,842
Unassigned	6,875,429	(5,012,977)	-	1,862,452
Total Fund Balances	<u>16,909,185</u>	<u>(5,012,977)</u>	<u>16,712,526</u>	<u>28,608,734</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,473,300</u>	<u>\$ 249,140</u>	<u>\$ 18,029,936</u>	<u>\$ 45,752,376</u>

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

Town of Erie, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2015

	<u>Amount</u>
The amounts reported as Governmental Activities on the Statement of Net Position (page 33) are different because:	
Total Fund Balances - Governmental Funds (page 36)	\$ 28,608,734
Capital assets utilized in Governmental Activities are not financial resources and therefore are not reported in the fund financial statements.	102,919,431
Certain receivables are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds.	372,937
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	(18,635,000)
Capital lease obligations	(138,363)
Unamortized issuance premium	(1,375,049)
Unamortized deferred refunding loss	983,642
Unamortized bond insurance premiums	16,601
Accrued interest payable	(57,932)
Compensated absences	(531,457)
Litigation reserve	<u>(450,000)</u>
Total long-term liabilities and related items	(20,187,558)
Net pension asset is not available to pay for current expenditures and, therefore, is not reported in the funds.	373,881
Deferred outflows of resources used in governmental activities are not financial resources and, therefore, are not reported in the funds.	
Change in investment earnings	29,472
Contributions subsequent to the measurement date	<u>131,094</u>
Total deferred outflows of resources	160,566
Deferred inflows of resources used in governmental activities are not due and payable in the current year and, therefore, are not reported in the funds.	
Change in experience	(7,700)
Change in proportionate share	<u>(16,719)</u>
Total deferred inflows of resources	(24,419)
Net Position - Governmental Activities (page 33)	<u>\$112,223,572</u>

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

Town of Erie, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2015

	General Fund	Erie Urban Renewal Authority	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Taxes	\$ 11,033,487	\$ 62,202	\$ 980,048	\$ 12,075,737
Intergovernmental	1,454,903	-	192,157	1,647,060
Licenses and Permits	1,855,274	-	-	1,855,274
Fees and Charges for Services	3,918,891	516	10,600	3,930,007
Fines and Forfeitures	219,581	-	-	219,581
Capital Contributions and Fees	-	-	4,331,583	4,331,583
Investment Earnings	62,898	-	64,942	127,840
Miscellaneous	315,850	-	-	315,850
Total Revenues	18,860,884	62,718	5,579,330	24,502,932
EXPENDITURES				
Current Operating:				
General Government	5,881,034	280,794	-	6,161,828
Public Safety	2,977,558	-	-	2,977,558
Public Works	2,793,781	-	-	2,793,781
Parks and Recreation	4,428,109	-	122,723	4,550,832
Capital Outlay	6,190,605	386,313	2,678,944	9,255,862
Debt Service				
Principal	1,177,108	-	-	1,177,108
Interest	748,037	-	-	748,037
Total Expenditures	24,196,232	667,107	2,801,667	27,665,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,335,348)	(604,389)	2,777,663	(3,162,074)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,390,626	-	-	2,390,626
Transfers Out	(9,349)	-	(2,390,626)	(2,399,975)
Sales of Capital Assets	42,014	-	-	42,014
Insurance Recoveries	21,146	-	-	21,146
Total Other Financing Sources (Uses)	2,444,437	-	(2,390,626)	53,811
Net Change in Fund Balance	(2,890,911)	(604,389)	387,037	(3,108,263)
Fund Balance - Beginning	19,800,096	(4,408,588)	16,325,489	31,716,997
Fund Balance - Ending	\$ 16,909,185	\$ (5,012,977)	\$ 16,712,526	\$ 28,608,734

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

Town of Erie, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2015

	<u>Amount</u>
The amounts reported as Governmental Activities on the Statement of Activities (pages 34-35) are different because:	
Net Changes in Fund Balances - Governmental Funds (page 38)	\$ (3,108,263)
Governmental Funds report capital outlays as expenditures. However, in the Statement of Activities the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation expense.	
Capital outlays	8,856,511
Depreciation expense	<u>(3,468,250)</u>
Excess of capital outlays over depreciation	5,388,261
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(144,950)
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.	1,177,108
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.	
Change in accrued interest payable	4,276
Change in accrued compensated absences	(49,118)
Amortization of premiums, discounts, deferred refunding losses and bond insurance premiums	21,271
Pension expense	(17,924)
Employer contribution expense	<u>131,094</u>
Total expenses not requiring current resources	<u>89,599</u>
Change in Net Position - Governmental Activities (page 35)	<u>\$ 3,401,755</u>

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

Town of Erie, Colorado
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Taxes	\$ 9,965,200	\$ 10,719,200	\$ 11,033,487	\$ 314,287
Intergovernmental	966,500	1,386,300	1,454,903	68,603
Licenses and Permits	1,584,800	1,710,100	1,855,274	145,174
Fees and Charges for Services	1,935,800	3,650,800	3,918,891	268,091
Fines and Forfeitures	231,000	207,000	219,581	12,581
Investment Earnings	50,000	50,000	62,898	12,898
Miscellaneous	287,400	268,300	315,850	47,550
Total Revenues	<u>15,020,700</u>	<u>17,991,700</u>	<u>18,860,884</u>	<u>869,184</u>
EXPENDITURES				
Current Operating:				
General Government				
Legislative	369,400	366,000	316,365	49,635
Town Administration	1,331,100	5,166,500	4,517,013	649,487
Community Development	720,300	760,500	636,551	123,949
Finance	297,000	297,100	287,370	9,730
Central Charges	131,000	134,000	123,735	10,265
Public Safety	3,136,200	3,098,700	2,977,558	121,142
Public Works	2,983,300	3,063,500	2,793,781	269,719
Parks and Recreation	4,776,200	4,773,900	4,428,109	345,791
Capital Outlay	1,310,700	6,861,700	6,190,605	671,095
Debt Service				
Principal	1,182,900	1,182,900	1,177,108	5,792
Interest	742,400	742,700	748,037	(5,337)
Total Expenditures	<u>16,980,500</u>	<u>26,447,500</u>	<u>24,196,232</u>	<u>2,251,268</u>
Deficiency of Revenues Under Expenditures	<u>(1,959,800)</u>	<u>(8,455,800)</u>	<u>(5,335,348)</u>	<u>3,120,452</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	1,925,700	2,375,626	2,390,626	15,000
Transfers Out	(30,000)	(30,000)	(9,349)	20,651
Sales of Capital Assets	-	-	42,014	42,014
Insurance Recoveries	-	-	21,146	21,146
Total Other Financing Sources (Uses)	<u>1,895,700</u>	<u>2,345,626</u>	<u>2,444,437</u>	<u>98,811</u>
Net Change in Fund Balance	<u>\$ (64,100)</u>	<u>\$ (6,110,174)</u>	<u>(2,890,911)</u>	<u>\$ 3,219,263</u>
Fund Balance - Beginning			<u>19,800,096</u>	
Fund Balance - Ending			<u>\$ 16,909,185</u>	

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

Town of Erie, Colorado
Eric Urban Renewal Authority
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With
	Original Budget	Final Budget		Final Budget Positive (Negative)
REVENUES				
Taxes	\$ -	\$ -	\$ 62,202	\$ 62,202
Fees and Charges for Services	-	-	516	516
Total Revenues	-	-	62,718	62,718
EXPENDITURES				
Current Operating:				
General Government	116,600	313,800	280,794	33,006
Capital Outlay	-	473,500	386,313	87,187
Total Expenditures	116,600	787,300	667,107	120,193
Deficiency of Revenues Under Expenditures	(116,600)	(787,300)	(604,389)	182,911
Net Change in Fund Balance	<u>\$ (116,600)</u>	<u>\$ (787,300)</u>	(604,389)	<u>\$ 182,911</u>
Fund Balance - Beginning			<u>(4,408,588)</u>	
Fund Balance - Ending			<u>\$ (5,012,977)</u>	

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

Town of Erie, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2015

	Business-type Activities - Proprietary Funds			Total Proprietary Funds
	Water Fund	Wastewater Fund	Nonmajor Proprietary Funds	
ASSETS				
Current Assets				
Pooled Cash and Investments	\$ 18,235,916	\$ 13,137,135	\$ 1,027,991	\$ 32,401,042
Restricted Cash and Investments	3,165,143	2,054,113	375,879	5,595,135
Receivables	753,458	496,612	91,735	1,341,805
Prepaid Items	259,886	193,798	15,229	468,913
Total Current Assets	22,414,403	15,881,658	1,510,834	39,806,895
Noncurrent Assets				
Capital Assets				
Construction in Progress	5,640,090	275,768	707,673	6,623,531
Land and Water Rights	80,516,737	59,022	656,000	81,231,759
Buildings, Property, and Equipment	87,210,634	53,407,275	18,535,677	159,153,586
Accumulated Depreciation	(21,881,731)	(9,882,780)	(5,010,816)	(36,775,327)
Total Capital Assets	151,485,730	43,859,285	14,888,534	210,233,549
Total Noncurrent Assets	151,485,730	43,859,285	14,888,534	210,233,549
Total Assets	173,900,133	59,740,943	16,399,368	250,040,444
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Charges on Refunding	1,913,712	910	-	1,914,622
Total Deferred Outflows of Resources	1,913,712	910	-	1,914,622
LIABILITIES				
Current Liabilities				
Accounts Payable	410,731	239,368	56,457	706,556
Accrued Interest Payable	293,633	82,945	4,537	381,115
Wages Payable	16,955	15,328	5,952	38,235
Other Liabilities	81,319	-	4,145	85,464
Unearned Revenue	222,100	8,530	-	230,630
Compensated Absences	87,668	78,952	3,811	170,431
Current Portion of Long Term Debt				
Certificates of Participation Payable	625,000	-	-	625,000
Loans Payable	-	293,183	381,496	674,679
Bonds Payable	1,625,000	325,000	-	1,950,000
Mortgages Payable	-	-	366,611	366,611
Total Current Liabilities	3,362,406	1,043,306	823,009	5,228,721
Noncurrent Liabilities				
Compensated Absences	42,761	39,458	354	82,573
Advances from Other Funds	-	-	170,000	170,000
Long Term Debt, Net of Unamortized Premiums and Discounts				
Certificates of Participation Payable	25,143,158	-	-	25,143,158
Loans Payable	-	2,140,307	285,716	2,426,023
Bonds Payable	28,333,346	18,316,437	-	46,649,783
Total Noncurrent Liabilities	53,519,265	20,496,202	456,070	74,471,537
Total Liabilities	56,881,671	21,539,508	1,279,079	79,700,258
NET POSITION				
Net Investment in Capital Assets	99,586,633	24,839,381	13,854,711	138,280,725
Restricted				
Bond Reserves	838,910	-	-	838,910
Operations and Maintenance Reserves	-	731,550	-	731,550
Water Rights Purchase Escrow	412,538	-	-	412,538
Unrestricted	18,094,093	12,631,414	1,265,578	31,991,085
Total Net Position	\$ 118,932,174	\$ 38,202,345	\$ 15,120,289	\$ 172,254,808

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

Town of Erie, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Proprietary Funds			Total Proprietary Funds
	Water Fund	Wastewater Fund	Nonmajor Proprietary Funds	
OPERATING REVENUES				
Charges for Services	\$ 7,131,476	\$ 4,143,696	\$ 600,508	\$ 11,875,680
OPERATING EXPENSES				
Personnel Services	1,641,891	1,438,353	116,088	3,196,332
Operations and Maintenance	2,113,397	1,119,095	435,399	3,667,891
Depreciation	2,626,283	1,447,349	530,479	4,604,111
Total Operating Expenses	6,381,571	4,004,797	1,081,966	11,468,334
Net Operating Income (Loss)	749,905	138,899	(481,458)	407,346
NON-OPERATING REVENUES (EXPENSES)				
Investment Earnings	69,333	53,377	4,537	127,247
Intergovernmental	15,710	-	58,390	74,100
Insurance Recoveries	-	12,910	-	12,910
Other Non-Operating Income	10,758	-	39,239	49,997
Interest Expense	(2,248,448)	(924,719)	(32,401)	(3,205,568)
Issuance Costs	(195,510)	-	-	(195,510)
Gain (Loss) on Disposition of Capital Assets	(2,040,419)	(5,624,401)	3,045	(7,661,775)
Total Non-Operating Revenues (Expenses)	(4,388,576)	(6,482,833)	72,810	(10,798,599)
Loss Before Contributions and Transfers	(3,638,671)	(6,343,934)	(408,648)	(10,391,253)
Capital Contributions	11,040,531	2,500,734	62,720	13,603,985
Transfers In	-	-	9,349	9,349
Change in Net Position	7,401,860	(3,843,200)	(336,579)	3,222,081
Total Net Position - Beginning	<u>111,530,314</u>	<u>42,045,545</u>	<u>15,456,868</u>	<u>169,032,727</u>
Total Net Position - Ending	<u>\$ 118,932,174</u>	<u>\$ 38,202,345</u>	<u>\$ 15,120,289</u>	<u>\$ 172,254,808</u>

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

Town of Erie, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2015

	Business-type Activities - Proprietary Funds			Total Proprietary Funds
	Water Fund	Wastewater Fund	Nonmajor Proprietary Funds	
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 7,164,869	\$ 4,221,607	\$ 623,436	\$ 12,009,912
Payments to Employees	(1,665,437)	(1,459,515)	(116,675)	(3,241,627)
Payments to Suppliers	(1,945,865)	(950,325)	(500,869)	(3,397,059)
Net Cash Provided by Operating Activities	<u>3,553,567</u>	<u>1,811,767</u>	<u>5,892</u>	<u>5,371,226</u>
Cash Flows from Non-capital Financing Activities				
Operating Grants	238,793	-	39,116	277,909
Transfer from Other Funds	-	-	9,349	9,349
Cash Flows Provided by Non-capital Financing Activities	<u>238,793</u>	<u>-</u>	<u>48,465</u>	<u>287,258</u>
Cash Flows from Capital and Related Financing Activities				
Capital Grants	-	-	72,889	72,889
Receipts from Capital Debt	13,180,561	-	-	13,180,561
Payments to Defease Capital Debt	(13,223,678)	-	-	(13,223,678)
Acquisition and Construction of Capital Assets	(3,194,199)	(413,113)	(63,832)	(3,671,144)
Proceeds from Sale of Capital Assets	-	-	3,045	3,045
Principal Paid on Capital Debt	(2,255,000)	(600,491)	(22,013)	(2,877,504)
Interest Paid on Capital Debt	(2,176,444)	(934,776)	(32,798)	(3,144,018)
Capital Contributions	11,040,531	2,500,734	25,505	13,566,770
Insurance Recoveries	-	12,910	-	12,910
Cash Flows Provided by (Used in) Capital and Related Financing Activities	<u>3,371,771</u>	<u>565,264</u>	<u>(17,204)</u>	<u>3,919,831</u>
Cash Flows from Investing Activities				
Earnings on Investments	62,190	44,976	2,922	110,088
Cash Flows Provided by Investing Activities	<u>62,190</u>	<u>44,976</u>	<u>2,922</u>	<u>110,088</u>
Net Increase in Pooled Cash and Investments	7,226,321	2,422,007	40,075	9,688,403
Pooled Cash and Investments - January 1	<u>11,009,595</u>	<u>10,715,128</u>	<u>987,916</u>	<u>22,712,639</u>
Pooled Cash and Investments - December 31	<u>\$ 18,235,916</u>	<u>\$ 13,137,135</u>	<u>\$ 1,027,991</u>	<u>\$ 32,401,042</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities				
Operating Income (Loss)	\$ 749,905	\$ 138,899	\$ (481,458)	\$ 407,346
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by Operating Activities				
Depreciation Expense	2,626,283	1,447,349	530,479	4,604,111
Other Income	10,758	-	39,239	49,997
(Increase) Decrease in				
Accounts Receivable	29,244	77,911	(16,166)	90,989
Prepaid Items	108,727	7,319	(14,014)	102,032
Increase (Decrease) in				
Accounts Payable	58,805	161,451	(51,602)	168,654
Wages Payable	(45,046)	(35,173)	(1,054)	(81,273)
Compensated Absences Payable	21,500	14,011	467	35,978
Other Liabilities	(6,609)	-	146	(6,463)
Deferred Revenue	-	-	(145)	(145)
Net Cash Provided by Operating Activities	<u>\$ 3,553,567</u>	<u>\$ 1,811,767</u>	<u>\$ 5,892</u>	<u>\$ 5,371,226</u>

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

Notes to the Financial Statements

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Town of Erie, Colorado
Notes to the Financial Statements
As of and for the year ended December 31, 2015

Note I. Summary of Significant Accounting Policies

The Town of Erie, Colorado (the Town), incorporated in 1874, is a statutory municipality governed by a trustee-administrator form of government through a Mayor and six-member Board of Trustees. The Town provides the following services: administration, community development, finance, human resources, parks and recreation, police, public works, 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 Housing Authority and the Town of Erie Urban Renewal Authority as component units. Both authorities are separate organizations for which the Town is considered to be 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.

A brief description of the blended component units follow:

Town of Erie Housing Authority (EHA) –The EHA constructed and operates the senior housing complex. Daily operations of the complex are managed by Pillar Property Services, LLC. The EHA's activities directly benefit the citizens of the Town. The Town Board of Trustees serves as the EHA Board of Commissioners. In addition, the Town has operational responsibility for the EHA. The EHA is reported as a proprietary fund. Separate audited financial statements of the EHA are not available.

Town of Erie Urban Renewal Authority (EURA) – The EURA was created in 2011 by action of the Town Mayor and Board of Trustees, who serve as its Board of Commissioners, under the Colorado Urban Renewal Law. The EURA is charged with the creation and

Note I. Summary of Significant Accounting Policies (continued)

implementation of the Town of Erie urban renewal plan pursuant to the Urban Renewal Law. Operations of the EURA are currently funded from General Fund resources, which will be repaid from various funding sources of the EURA, including tax increment financing for urban renewal projects within its boundaries. The EURA is reported as a special revenue fund. Separate audited financial statements of the EURA are not available.

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 of 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 proprietary 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.

Note I. Summary of Significant Accounting Policies (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 revenues to be available if they are collected within 60 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 taxes, 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 considered to be measurable and available only when cash is received by the Town.

The Town reports the following major governmental funds:

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.

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

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principal operating revenues of all proprietary funds are charges for services to customers. Operating expenses from proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses. All of the Town's proprietary funds are classified as enterprise funds.

The Town reports the following major proprietary (enterprise) funds:

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

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

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

Note I. Summary of Significant Accounting Policies (continued)

government-wide statement of activities, interfund transactions are eliminated unless the transfer is between the governmental and the business-type activities.

D. Assets, Liabilities, and Fund Equity

1. Deposits and Investments

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

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

Investments are reported at fair value based upon values obtained from quoted market prices.

2. Receivables and Payables

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

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

Property taxes levied in the General Fund and the Trails and Natural Areas Fund are included in receivables and deferred inflows at December 31, 2015. These taxes are classified as deferred inflows since they are not normally available to the Town until mid-2016 and are budgeted for in 2016.

All trade and property tax receivables are reported net of any allowance for uncollectible amounts, where applicable. No allowance is provided for utility service charges since delinquent amounts are certified as a lien against the property billed and are expected to be fully collectible.

Note I. Summary of Significant Accounting Policies (continued)

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.

5. *Capital Assets*

Capital assets, which include property, plant, equipment, and all infrastructure assets (e.g., roads, bridges, sidewalks, and similar items) acquired since 1997, are reported in the applicable governmental or business-type activities column in the government-wide financial statements and in 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 in excess of two years. Such assets are recorded at historical cost or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

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

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

Assets	Years
Buildings and improvements	5-50
Improvements other than buildings	5-50
Machinery and equipment	3-10
Vehicles	3-5

Note I. Summary of Significant Accounting Policies (continued)

6. Compensated Absences

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

7. Long-term Obligations

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

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

8. Deferred Outflows and Inflows of Resources

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

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

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

Note I. Summary of Significant Accounting Policies (continued)

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

9. Pensions

For purposes of measuring the net pension 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 (SBDP), administered by the Fire & Police Pension Association of Colorado (FPPA), and additions to/deductions from the SBDP's fiduciary net position have been determined on the same basis as they are reported by the FPPA. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

10. Fund Balances

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

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

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

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

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

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

Note I. Summary of Significant Accounting Policies (continued)

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, minimum fund balance is 25% of annual budgeted operating expenditures. Proprietary funds are to maintain minimum unrestricted net position of 25% of annual operating and maintenance expenses plus 2% of capital assets.

In 2010 the Board of Trustees established an additional General Fund reserve. The reserve was established at \$7,500,000, representing approximately 60% of annual General Fund operating expenditures. The reserve may only be used with the approval of the Board of Trustees for one-time or capital expenditures, or in the event of revenue reductions due to severe economic conditions in order to prevent significant reduction in services. This reserve does not meet the definition of a stabilization arrangement pursuant to GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and therefore is reflected in unassigned fund balance.

With the exception of the General Fund reserves, all minimum fund balance policy requirements were met as of December 31, 2015. Pursuant to approval by the Board of Trustees, the General Fund has advanced \$5,000,973 to the Erie Urban Renewal Authority for the purchase of real estate and operating expenses. In addition, the General Fund has advanced \$170,000 to its housing authority, discussed in more detail in Note III.E. As a result, the sum of these advances is classified as nonspendable General Fund fund balance. These advances will be repaid to the General Fund in future years. Absent these Board-approved advances, the minimum fund balance requirements would have been met.

11. Use of Estimates

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

Note II. Stewardship, Compliance, and Accountability

A. Budgetary Information

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

Note II. Stewardship, Compliance, and Accountability (continued)

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

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

B. Deficit Fund Equity

The Town of Erie Urban Renewal Authority had a deficit fund balance of \$5,012,977 as of December 31, 2015. Information on anticipated repayment of the advance from the General Fund that has financed this deficit can be found in Note III.D. Additional funds will arise over time as other urban renewal projects are identified and resulting tax increment funding monies are collected through increased property or sales tax collections.

Note III. Detailed Notes on All Funds

A. Deposits and Investments

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

Pooled cash and investments	\$ 66,370,154
Restricted cash and investments	<u>5,595,135</u>
Total	<u>\$ 71,965,289</u>

Cash and investments consist of the following:

Bank checking accounts	\$ 9,592,239
Bank money market and savings accounts	412,550
Bank certificates of deposit	<u>2,243,423</u>
Total bank deposits	12,248,212
Investments	59,715,153
Cash on hand	<u>1,924</u>
Total	<u>\$ 71,965,289</u>

Note III. Detailed Notes on All Funds (continued)

Deposits

As of December 31, 2015, the carrying amount of the Town's deposits was \$12,248,212.

Custodial Credit Risk

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

Investments

As of December 31, 2015, the Town had the following investments:

Investment Type	Rating		Fair Value	Investment Maturities		Concentration of Credit Risk
	Moody's	S&P		Less than 1 Year	1 to 5 Years	
U.S. Treasury Notes	Aaa	AA+	\$ 7,999,120	\$ 7,999,120	\$ -	14%
Federal Farm Credit Bank	Aaa	AA+	11,482,605	2,001,560	9,481,045	19%
Federal Home Loan Bank	Aaa	AA+	12,986,256	4,425,770	8,560,486	22%
Federal Home Loan Mortgage Corporation	Aaa	AA+	1,990,560	-	1,990,560	3%
Federal National Mortgage Association	Aaa	AA+	2,495,345	998,870	1,496,475	4%
Municipal Securities	Aa1/Aaa	AA+/AAA	2,004,450	2,004,450	-	3%
CSAFE	n/a	AAAm	15,650,195	15,650,195	-	26%
COLOTRUST PRIME	n/a	AAAm	3,838,573	3,838,573	-	7%
Federated Treasury Obligations Fund	Aaa-mf	AAAm	406,181	406,181	-	1%
Wells Fargo Treasury Money Market Fund	Aaa-mf	AAAm	861,868	861,868	-	1%
Total fair value			<u>\$ 59,715,153</u>	<u>\$ 38,186,587</u>	<u>\$ 21,528,566</u>	<u>100%</u>

It is the policy of the Town to invest its funds in a manner which 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 activity 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, and local government investment pools.

As indicated above, Town policy includes certificates of deposit as part of the authorized investment portfolio. For GAAP reporting purposes, certificates of deposit are considered to be bank deposits and are therefore excluded from the investment schedule.

Note III. Detailed Notes on All Funds (continued)

Interest Rate Risk

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

Credit Risk

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

Concentration of Credit Risk

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

Custodial Credit Risk

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

Local Government Investment Pools

As shown in the table on page 56, the Town had investments in the Colorado Surplus Asset Fund Trust (CSAFE) and Colorado Government Liquid Asset Trust (COLOTRUST) at year-end. CSAFE and COLOTRUST 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.

Note III. Detailed Notes on All Funds (continued)

The funds operate similar to money market funds and each share is valued at \$1.00. Fund investments include U.S. Treasury bills, notes, note strips, and repurchase agreements collateralized by U.S. Treasury securities. 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. CSAFE financial statements can be obtained at www.csafe.org. COLOTRUST financial statements can be obtained at www.colotruster.com.

B. Accounts Receivable

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

	General	Urban Renewal Authority	Nonmajor Governmental	Water	Wastewater	Nonmajor Proprietary	Total
Property taxes	\$ 3,597,876	\$ 249,140	\$ 1,158,830	\$ -	\$ -	\$ -	\$ 5,005,846
Sales taxes	616,504	-	-	-	-	-	616,504
Other taxes	209,222	-	-	-	-	-	209,222
Accounts, net of allowance for uncollectible accounts	190,543	-	-	540,890	479,497	71,085	1,282,015
Landfill fees	140,589	-	-	-	-	-	140,589
Intergovernmental	372,937	-	-	191,984	-	19,274	584,195
Interest	22,395	-	22,988	20,584	17,115	1,376	84,458
Total receivables	<u>\$ 5,150,066</u>	<u>\$ 249,140</u>	<u>\$ 1,181,818</u>	<u>\$ 753,458</u>	<u>\$ 496,612</u>	<u>\$ 91,735</u>	<u>\$ 7,922,829</u>

Note III. Detailed Notes on All Funds (continued)

C. Capital Assets

Capital asset activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 3,016,682	\$ 6,988,278	\$ (8,380,457)	\$ 1,624,503
Land	14,063,157	21,193	-	14,084,350
Total capital assets, not being depreciated	<u>17,079,839</u>	<u>7,009,471</u>	<u>(8,380,457)</u>	<u>15,708,853</u>
Capital assets, being depreciated:				
Buildings	29,481,795	7,272,222	-	36,754,017
Improvements other than buildings	69,184,257	1,853,950	-	71,038,207
Furniture and equipment	2,240,123	941,445	-	3,181,568
Vehicles	1,149,572	159,880	(125,225)	1,184,227
Total capital assets, being depreciated	<u>102,055,747</u>	<u>10,227,497</u>	<u>(125,225)</u>	<u>112,158,019</u>
Less accumulated depreciation for:				
Buildings	(3,729,881)	(717,041)	-	(4,446,922)
Improvements other than buildings	(15,704,100)	(2,395,777)	-	(18,099,877)
Furniture and equipment	(1,442,248)	(228,476)	-	(1,670,724)
Vehicles	(728,187)	(126,956)	125,225	(729,918)
Total accumulated depreciation	<u>(21,604,416)</u>	<u>(3,468,250)</u>	<u>125,225</u>	<u>(24,947,441)</u>
Total capital assets, being depreciated, net	<u>80,451,331</u>	<u>6,759,247</u>	<u>-</u>	<u>87,210,578</u>
Governmental activities capital assets, net	<u>\$ 97,531,170</u>	<u>\$ 13,768,718</u>	<u>\$ (8,380,457)</u>	<u>\$ 102,919,431</u>

Note III. Detailed Notes on All Funds (continued)

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Capital assets, not being depreciated:				
Construction in progress	\$ 7,843,607	\$ 3,047,962	\$ (4,268,038)	\$ 6,623,531
Land and reservoirs	7,881,882	-	(2,040,420)	5,841,462
Water rights	75,390,297	-	-	75,390,297
Total capital assets, not being depreciated	<u>91,115,786</u>	<u>3,047,962</u>	<u>(6,308,458)</u>	<u>87,855,290</u>
Capital assets, being depreciated:				
Buildings	1,369,265	-	-	1,369,265
Improvements other than buildings	160,414,360	4,791,690	(8,508,228)	156,697,822
Machinery and equipment	986,967	99,532	-	1,086,499
Total capital assets, being depreciated	<u>162,770,592</u>	<u>4,891,222</u>	<u>(8,508,228)</u>	<u>159,153,586</u>
Less accumulated depreciation for:				
Buildings	(512,680)	(34,089)	-	(546,769)
Improvements other than buildings	(34,123,655)	(4,508,748)	2,883,826	(35,748,577)
Machinery and equipment	(418,707)	(61,274)	-	(479,981)
Total accumulated depreciation	<u>(35,055,042)</u>	<u>(4,604,111)</u>	<u>2,883,826</u>	<u>(36,775,327)</u>
Total capital assets, being depreciated, net	<u>127,715,550</u>	<u>287,111</u>	<u>(5,624,402)</u>	<u>122,378,259</u>
Business-type activities capital assets, net	<u>\$ 218,831,336</u>	<u>\$ 3,335,073</u>	<u>\$ (11,932,860)</u>	<u>\$ 210,233,549</u>

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

Governmental activities:

General government	\$ 78,958
Public safety	200,696
Public works	1,765,323
Parks and recreation	<u>1,423,273</u>
Total depreciation expense - governmental activities	<u>\$3,468,250</u>

Business-type activities:

Water	\$2,626,283
Wastewater	1,447,349
Storm drainage	254,073
Airport	247,384
Housing authority	<u>29,022</u>
Total depreciation expense - business-type activities	<u>\$4,604,111</u>

Note III. Detailed Notes on All Funds (continued)

D. Interfund Receivables, Payables, and Transfers

There were two advances from the General Fund at December 31, 2015. The first is to the Town’s urban renewal authority (URA) for \$5,000,973. The advance to the URA was made to pay for purchases of certain properties and for operating expenditures of the URA. Repayment in the approximate amount of \$5,000,000 is anticipated in 2017 pursuant to a development agreement for the development of property owned by the URA at the corner of Highway 287 and Arapahoe Road, although the exact timing, amount, and/or mechanism remains subject to terms and conditions as specified in the development agreement. See also Note IV.H. for additional information.

The second advance, made to the Town’s housing authority during 2014, is in the amount of \$170,000, made to facilitate refinancing of the housing authority’s then-outstanding mortgage loan, discussed in more detail in Note III.E.4.

Transfers to/from other funds for the year ending December 31, 2015, were as follows:

	Transfer In		Total
	General Fund	Nonmajor Proprietary Funds	
<u>Transfer Out</u>			
General Fund	\$ -	\$ 9,349	\$ 9,349
Nonmajor governmental funds	2,390,626	-	2,390,626
Total	\$ 2,390,626	\$ 9,349	\$ 2,399,975

Transfers primarily reflect movement of revenues from the fund with collection authorization to the fund making the expenditure. The \$2,390,626 transfer to the General Fund reflects a \$2,066,926 transfer from the Solid Waste/Streets Fund for the purpose of merging that fund into the General Fund. Also included in transfers to the General Fund is a \$315,000 transfer from the Trails & Natural Areas Fund to reimburse the General Fund for certain costs incurred related to the Town’s trails and open space.

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 primarily from real property taxes, in addition to various other funding sources. These bonds are issued as serial bonds with varying amounts of principal maturing each year.

Note III. Detailed Notes on All Funds (continued)

General obligation bonds outstanding at December 31, 2015, are as follows:

Year Issued	Description	Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2006	General obligation bonds	4.375 - 5.25	2019	\$ 16,800,000	\$ 3,070,000
2006	General obligation refunding bonds	4.25 - 4.50	2018	2,971,095	1,030,000
2013	General obligation refunding bonds	2.00 - 4.00	2026	8,460,000	8,335,000
2014	General obligation bonds	3.25 - 3.75	2033	6,200,000	<u>6,200,000</u>
Total general obligation bonds					<u>\$18,635,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31	Principal	Interest
2016	\$ 1,170,000	\$ 692,156
2017	1,225,000	641,081
2018	1,280,000	587,269
2019	960,000	530,544
2020	1,000,000	493,213
2021-2025	5,560,000	1,888,662
2026-2030	4,600,000	955,850
2031-2033	<u>2,840,000</u>	<u>213,150</u>
Total	<u>\$ 18,635,000</u>	<u>\$ 6,001,925</u>

2. 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 can also use other resources to pay debt service.

Note III. Detailed Notes on All Funds (continued)

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

Year Issued	Description	Interest Rate (%)	Final Maturity Date	Issued	Outstanding
1995	Storm drainage revenue loan	2.00	2035	\$ 498,512	\$ 297,980
1997	Wastewater revenue loan	4.54	2017	1,821,690	251,083
1997	Wastewater revenue loan	4.50	2017	500,000	73,801
2007	Water revenue bonds	5.00	2032	14,225,000	3,755,000
2007	Water revenue refunding bonds	4.25 - 5.00	2023	5,035,000	1,290,000
2008	Wastewater revenue bonds	4.00 - 4.75	2028	8,900,000	7,700,000
2008	Wastewater revenue refunding bonds	4.00	2017	985,000	250,000
2009	Wastewater revenue loan	2.00	2030	1,534,700	658,605
2009	Wastewater revenue loan	0.00	2030	2,000,000	1,450,000
2009	Wastewater revenue bonds	4.50 - 5.00	2037	10,650,000	10,650,000
2009	Water revenue refunding bonds	3.00 - 4.00	2023	6,390,000	3,940,000
2011	Water revenue refunding bonds	2.00 - 5.00	2023	10,098,045	6,960,000
2015	Water revenue refunding bonds	2.00 - 5.00	2032	12,335,000	<u>12,335,000</u>
Total revenue bonds and loans					<u>\$49,611,469</u>

Annual debt service requirements to maturity for revenue bonds and loans are as follows:

Year Ending December 31	Principal	Interest
2016	\$ 2,255,447	\$ 2,045,027
2017	2,364,156	1,931,699
2018	2,443,941	1,854,592
2019	2,505,024	1,784,092
2020	2,591,129	1,701,537
2021-2025	12,153,005	7,071,582
2026-2030	12,807,871	4,507,172
2031-2035	9,660,896	1,851,372
2036-2037	<u>2,830,000</u>	<u>214,000</u>
Total	<u>\$ 49,611,469</u>	<u>\$ 22,961,073</u>

Note III. Detailed Notes on All Funds (continued)

3. 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 2.7% through October 1, 2015, 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%. The following is a summary of COPs payments:

Year Ending December 31	Principal	Interest	Total
2016	\$ 625,000	\$ 970,638	\$ 1,595,638
2017	640,000	958,138	1,598,138
2018	650,000	945,338	1,595,338
2019	670,000	925,838	1,595,838
2020	685,000	912,438	1,597,438
2021-2025	3,740,000	4,238,723	7,978,723
2026-2030	4,655,000	3,320,800	7,975,800
2031-2035	5,680,000	2,301,500	7,981,500
2036-2040	<u>7,065,000</u>	<u>912,650</u>	<u>7,977,650</u>
Total	<u>\$ 24,410,000</u>	<u>\$ 15,486,063</u>	<u>\$ 39,896,063</u>

4. Housing Authority Debt

The Town has two mortgages payable through its blended component unit, the Erie Housing Authority, as follows:

Year Issued	Purpose	Interest Rate (%)	Final Maturity Date	Issued	Outstanding
2000	FHLB forgivable loan	0.00	2016	\$ 60,000	\$ 60,000
2014	Mortgage loan	4.50	2016	320,000	<u>306,611</u>
					<u>\$ 366,611</u>

Note III. Detailed Notes on All Funds (continued)

Annual debt service requirements to maturity for these mortgages are as follows:

Year Ending December 31	Principal	Interest	Total
2016	\$ 366,611	\$ 9,258	\$ 375,869
Total	\$ 366,611	\$ 9,258	\$ 375,869

The FHLB loan provides for forgiveness of the loan if the property is maintained as low-income housing for a 15-year period ending November 5, 2016.

In addition, the housing authority has a loan with a principal amount of \$370,000 maturing in 2016, secured by a savings account of equal amount. Terms of the loan require interest only payments on a monthly basis at a fixed rate of 3.25%. Annual debt service requirements to maturity for this loan are as follows:

Year Ending December 31	Principal	Interest	Total
2016	\$ 369,232	\$ 8,133	\$ 377,365
Total	\$ 369,232	\$ 8,133	\$ 377,365

5. Capital Lease Obligations

The Town entered into two capital lease agreements in 2013 for the purchase of a grader for street maintenance purposes and police car radios. The imputed interest rates on the leases range from 2.94% to 3.30%. The book value of the underlying assets was \$197,087 at December 31, 2015. The following is a schedule by year of future minimum lease obligations as of December 31, 2015:

Year Ending December 31	Lease Payments
2016	\$ 62,762
2017	62,763
2018	18,704
Total minimum lease payments	144,229
Less: amount representing interest	(5,866)
Present value of minimum lease payments	\$ 138,363

Note III. Detailed Notes on All Funds (continued)

6. *Defeasance of Debt*

On October 29, 2015, the Town issued \$12,335,000 Water Enterprise Revenue Refunding Bonds, Series 2015, to purchase various securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of \$10,470,000 outstanding on a 2007 revenue bond issue and \$1,765,000 outstanding on a 2007 revenue refunding bond issue. As a result, the refunded debt is considered to be defeased and the liability has been removed from the business-type activities column of the statement of net assets and from the Water Fund's statement of net assets. The reacquisition price exceeded the net carrying amount of the old debt by \$845,784. This amount is reported as a deferred outflow of resources and amortized over the life of the new debt, which has the same life as the refunded debt. This advance refunding was undertaken to reduce total debt service payments over the next 17 years by \$1,606,285 and resulted in an economic gain of \$1,175,883.

In prior years, the Town defeased certain general obligation, water, and wastewater revenue bonds by placing the proceeds of new bonds into irrevocable trusts 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. These transactions resulted in economic gains to the Town. On December 31, 2015, defeased bonds had remaining balances outstanding of \$21,455,148.

7. *Changes in Long-term Liabilities*

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds and other debt payable:					
General obligation bonds	\$ 19,755,000	\$ -	\$ (1,120,000)	\$ 18,635,000	\$ 1,170,000
Capital lease obligations	195,470	-	(57,107)	138,363	58,953
Less deferred amounts for issuance premiums	<u>1,494,523</u>	<u>-</u>	<u>(119,474)</u>	<u>1,375,049</u>	<u>-</u>
Total bonds and other debt payable	21,444,993	-	(1,296,581)	20,148,412	1,228,953
Compensated absences	482,339	525,304	(476,186)	531,457	350,558
Litigation reserve	<u>450,000</u>	<u>-</u>	<u>-</u>	<u>450,000</u>	<u>450,000</u>
Total governmental activities	<u>\$ 22,377,332</u>	<u>\$ 525,304</u>	<u>\$ (1,772,767)</u>	<u>\$ 21,129,869</u>	<u>\$ 2,029,511</u>
Business-type activities:					
Bonds, loans and other debt payable:					
Revenue bonds and loans	\$ 51,683,983	\$ 12,335,000	\$ (14,407,514)	\$ 49,611,469	\$ 2,255,447
Certificates of participation	25,105,000	-	(695,000)	24,410,000	625,000
Mortgages payable	376,600	-	(9,989)	366,611	366,611
Loan payable - other	369,232	-	-	369,232	369,232
Less deferred amounts for issuance premiums and discounts	<u>2,442,685</u>	<u>1,069,456</u>	<u>(434,199)</u>	<u>3,077,942</u>	<u>-</u>
Total bonds, loans and other debt payable	79,977,500	13,404,456	(15,546,702)	77,835,254	3,616,290
Compensated absences	<u>217,026</u>	<u>260,066</u>	<u>(224,088)</u>	<u>253,004</u>	<u>170,431</u>
Total business-type activities	<u>\$ 80,194,526</u>	<u>\$ 13,664,522</u>	<u>\$ (15,770,790)</u>	<u>\$ 78,088,258</u>	<u>\$ 3,786,721</u>

Note III. Detailed Notes on All Funds (continued)

F. Retirement Plans

1. *Police Officers Pension Plan*

a. General Information about the Pension Plan

Plan Description - The Town contributes to the Statewide Defined Benefit Plan (SDBP), a cost-sharing multiple-employer defined benefit pension plan, which is administered by the Fire and Police Pension Association of Colorado (FPPA). Assets of the plan are commingled for investment purposes in the Fire and Police Member's Benefit Investment Fund. The plan provides retirement benefits for members and beneficiaries according to plan provisions as enacted and governed by the Pension Fund Board of Trustees. Colorado Revised Statutes (CRS), as amended, establish basic benefit provisions under the plan. FPPA issues an annual, publicly-available financial report that includes the assets of the plan. That report may be obtained by calling FPPA at (303) 770-3772 in the Denver Metro area, or 1-800-332-3772 from outside the metro area, or from their web site at www.fppaco.org.

Benefits Provided – Retirement benefits provided by the SDBP are determined as 2% of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5% for each year of service thereafter. Members with at least 25 years of service may retire at any time after age 55 and shall be eligible for a normal retirement benefit.

Contributions - Plan members and the Town are required to contribute at a rate set by statute. The contribution requirements of plan members and the Town are established under Title 31, Article 30, Part 10 of the CRS, as amended. Through 2014 the contribution rate for both members and the Town was 8% of covered salary. In 2014 the members elected to increase the member contribution rate to the SDBP beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. As a result, the member contribution rate for 2015 was 8.50%. For the year ending December 31, 2015 the Town's contributions to the SDBP was \$131,094, equal to its required contribution for the year.

b. Pension Asset, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2015, the Town reported an asset of \$373,881 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2014, 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 contributions to the SDBP for 2014 relative to the total contributions of participating employers to the SDBP. At December 31, 2014, the Town's proportion was 0.3312%, which was an increase of 0.0207% from its proportion measured as of December 31, 2013.

Note III. Detailed Notes on All Funds (continued)

For the year ended December 31, 2015, the Town recognized pension expense of \$17,924. At December 31, 2015, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 7,700
Net difference between projected and actual earnings on pension plan investments	29,472	-
Changes in proportion and differences between contributions and proportionate share of contributions	-	16,719
Contributions subsequent to the measurement date	131,094	-
Total	\$ 160,566	\$ 24,419

The \$131,094 reported as a deferred outflow of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as an increase in the net pension asset in the year ended December 31, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31:

2016	\$ 4,810
2017	4,810
2018	4,810
2019	4,810
2020	(2,558)
Thereafter	(11,629)
Total	\$ 5,053

c. Actuarial Assumptions

The total pension asset in the January 1, 2015, actuarial valuation was determined using the following actuarial assumptions and other inputs:

Inflation	3.00 %
Salary increases	4.00-14.00 % - including inflation
Investment rate of return	7.50 % - including inflation

Note III. Detailed Notes on All Funds (continued)

The RP-2000 Combined Mortality Table with Blue Collar Adjustment, projected with Scale AA, 40% multiplier for off-duty mortality was used in the valuation for off-duty mortality of active members. On-duty related mortality is assumed to be .00020 per year for all members. At least every five years the FPPA's Board of Directors reviews its economic and demographic actuarial assumptions. At its July 2011 meeting the FPPA Board of Directors reviewed and approved recommended changes to the actuarial assumptions, which were the assumptions used in the January 1, 2015, valuation.

The SDBP's 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 weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the SDBP target asset allocation as of December 31, 2014, are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Rate of Return</u>
Global Equity	40%	8.9%
Equity Long/Short	10%	7.5%
Illiquid Alternatives	18%	10.5%
Fixed Income	15%	4.6%
Absolute Return	12%	6.5%
Managed Futures	4%	5.5%
Cash	<u>1%</u>	2.5%
Total	<u>100%</u>	

d. Discount Rate

The discount rate used to measure the total pension liability was 7.50%. 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 the Colorado statutes. Based on those assumptions, the SDBP's 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.

Note III. Detailed Notes on All Funds (continued)

e. Sensitivity of the Town’s Proportionate Share of the Net Pension Asset to Changes in the Discount Rate

The following table presents the proportionate share of the net pension asset calculated using the discount rate of 7.50%, as well as what the proportionate share of the net pension asset (liability) would be if it were calculated using a discount rate that is one percentage point lower (6.50%) or one percentage point higher (8.50%) than the current rate:

	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
Proportionate share of the net pension asset (liability)	\$ (352,424)	\$ 373,881	\$ 979,570

f. Pension Plan Fiduciary Net Position

Detailed information about the SDBP’s fiduciary net position is available in FPPA’s comprehensive annual financial report.

2. General Employees

The Town contributes to a defined contribution plan established for non-Police employees.

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

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

The plan is available to all non-Police benefited employees (full time employees and part time employees working at least 24 hours per week). The plan was created in accordance with Internal Revenue Code (IRC) Section 401(a). Employees are eligible to participate on the first day of each new calendar quarter.

Under the terms of the plan the Town is the only non-employee contributor and matches the first 0–5% of employee contributions. Participants are not required to contribute to the plan, but may contribute up to \$16,500 per year (\$22,000 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 2015, the Town made all required contributions to the plan, contributing \$282,913. Employees contributed \$410,272.

Note III. Detailed Notes on All Funds (continued)

Employees vest immediately. Employees have a non-forfeitable interest in the employer contributions to their accounts held by the plan administrator. No voluntary after-tax contributions are allowed. Since a third party trustee holds the assets in trust, they are not reflected in the Town's financial statements.

Note IV. Other Information

A. Risk Management

The Town purchases liability, property, and workers' compensation insurance from private insurance carriers. The Town paid \$241,598 for insurance in 2015 and maintains the following amounts of coverage with the amount of any deductibles (retained risk) indicated:

<u>Coverage</u>	<u>Amount</u>	<u>Deductible</u>
Building	\$87,761,327	\$ 2,500
Personal property	25,897,602	2,500
EDP	552,000	2,500
Business interruption & extra expense	630,500	72 Hours
General liability	5,000,000	2,500
Automobile liability	1,500,000	1,000
Workers' compensation	500,000	2,500

Settlements have not exceeded coverages for each of the past three fiscal years.

B. Litigation

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

C. Commitments

The Town has several capital asset construction and acquisition projects in process. As a result of these projects, the Town has remaining outstanding commitments of approximately \$5,214,000 to various general contractors and vendors. Of this amount, \$3,419,000 represents a contractual commitment related to a capacity improvement project at the Town's wastewater treatment plant. This project is expected to be completed in 2016.

Note IV. Other Information (continued)

The Town is also participating in several raw water storage and delivery projects with the Northern Colorado Water Conservancy District. In 2015, the Town contributed \$422,500 to the Northern Integrated Supply Project and \$88,705 to the Windy Gap Firing Project. Future years' contributions to these projects depend on the Board of Trustees election to participate.

D. Contingent Liabilities

Federal grants are subject to audit which could result in disallowed costs, the amount which is undeterminable at December 31, 2015. If any costs are disallowed in the future, the Town expects them to be insignificant.

E. Annexation and Developer Agreements

The Town has entered into several annexation and developer agreements with various developers of residential/commercial developments. Among other things, these agreements indicate whether the Town or the developer is responsible for 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.

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.

Note IV. Other Information (continued)

G. Emergency Reserve

The Town Board approved a resolution creating an emergency reserve as required by Article X, Section 20, of the Colorado Constitution. The December 31, 2015, amount of \$660,231 is based on the requirements of Article X, Section 20.

H. Subsequent Event

The Town has been advised that the City of Lafayette has, on May 3, 2016, adopted an Ordinance declaring the intent of the City of Lafayette to acquire real property located within the Town of Erie and belonging to the Town of Erie Urban Renewal Authority, which real property is currently the subject of a Development and Disposition Agreement by and among the Town of Erie, the Town of Erie Urban Renewal Authority and a third party developer. The City of Lafayette Ordinance further authorizes the use of litigation to obtain the real property. The Town has retained legal counsel in response to the actions of the City of Lafayette's declared intention to obtain/condemn Town of Erie Urban Renewal property and interfere with the Town's Disposition and Development Agreement. No legal action has yet been filed. The Town is unable to determine at this time the amount or range of potential loss, if any, and is also unable to determine at this time whether the likelihood of an unfavorable outcome against the Town is probable or remote.

Note V. Restatement

As discussed in Note III.F.1., during 2015 the Town adopted GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and the related GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, an amendment of GASB Statement No. 68, which revise and establish new financial reporting requirements for most governments that provide their employees with pension benefits. Both statements were effective for financial statements for periods beginning after June 15, 2014. The Town provides its police officers with pension benefits through a multiple employer cost-sharing defined benefit retirement program administered by the Fire and Police Pension Association of Colorado (FPPA).

Statement No. 68 requires cost-sharing employers participating in the FPPA program, such as the Town, to record their proportionate share, as defined in Statement No. 68, of FPPA's unfunded pension liability or net pension asset, as the case may be. The Town has no legal obligation to fund any unfunded liability nor does it have any ability to affect funding, benefits, or annual required contribution decisions made by the FPPA. The requirement of this Statement to record a portion of FPPA's unfunded liability, if any, would negatively impact the Town's future unrestricted net position.

Note V. Restatement (continued):

Adoption of the standard by the Town resulted in the following changes to net position of governmental activities as of January 1, 2015:

Beginning net position, as previously reported at January 1, 2015	\$ 108,424,959
Cumulative effect of application of GASB Statement No. 68, Net Pension Asset	277,699
Cumulative effect of application of GASB Statement No. 71, deferred outflow of resources for Town contributions made during the fiscal year ending December 31, 2014	<u>119,159</u>
Net position, January 1, 2015, as restated	<u><u>\$ 108,821,817</u></u>

Required Supplementary Information

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Town of Erie, Colorado
Schedule of the Town's Proportionate Share of the Net Pension Asset
Last 10 Years ⁽¹⁾

	2014	2013
Town's proportion of the net pension asset	0.3312%	0.3106%
Town's proportionate share of the net pension asset	\$ 373,881	\$ 277,699
Covered-employee payroll	1,489,485	1,348,891
Town's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	-25.10%	-20.59%
Plan fiduciary net position as a percentage of the total pension liability	106.83%	105.83%

(1) The amounts presented for each fiscal year were determined as of December 31 based on the measurement date of the plan. The Town implement GASB Statement No.'s 68 and 71 in 2015; therefore 10 years of data is not available.

Town of Erie, Colorado
Schedule of Town Contributions and Related Ratios
Last 10 Years ⁽¹⁾

	2015	2014	2013
Statutorily required contributions	\$ 131,094	\$ 119,159	\$ 107,911
Contributions in relation to the statutorily required contribution	<u>131,094</u>	<u>119,159</u>	<u>107,911</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered-employee payroll	1,638,675	1,489,485	1,348,891
Contribution as a percentage of covered-employee payroll	8.00%	8.00%	8.00%

(1) The amounts presented for each fiscal year were determined as of December 31. The Town implemented GASB Statement No.'s 68 and 71 in 2015; therefore 10 years of data is not available.

**Combining and Individual Fund Statements and
Schedules**

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Town of Erie Nonmajor Governmental Funds

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

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.

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

Forfeiture and Seizure Fund: Accounts for forfeitures as a result of asset seizures relating to convictions for drug-related offenses. Money is used to purchase goods and services related to law enforcement.

Solid Waste/Streets Fund: Accounts for landfill fees used for capital improvements and maintenance of solid waste and street-related purposes. Merged into the General Fund effective January 1, 2015.

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

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.

Transportation Impact Fund: Accounts for impact fee revenues used to construct and acquire transportation system enhancements.

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

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.

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

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2015

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS			
Pooled Cash and Investments	\$ 3,954,077	\$ 12,894,041	\$ 16,848,118
Receivables	1,164,285	17,533	1,181,818
Total Assets	<u>\$ 5,118,362</u>	<u>\$ 12,911,574</u>	<u>\$ 18,029,936</u>
LIABILITIES			
Accounts Payable	\$ 25,682	\$ 132,216	\$ 157,898
Wages Payable	682	-	682
Total Liabilities	<u>26,364</u>	<u>132,216</u>	<u>158,580</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	1,158,830	-	1,158,830
Total Deferred Inflows of Resources	<u>1,158,830</u>	<u>-</u>	<u>1,158,830</u>
FUND BALANCES			
Restricted for:			
Capital Projects	-	12,779,358	12,779,358
Parks and Open Space	3,796,795	-	3,796,795
Public Safety	6,219	-	6,219
Committed to:			
Cemetery Operations	130,154	-	130,154
Total Fund Balances	<u>3,933,168</u>	<u>12,779,358</u>	<u>16,712,526</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 5,118,362</u>	<u>\$ 12,911,574</u>	<u>\$ 18,029,936</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2015

	Total Nonmajor Special Revenue Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES			
Taxes	\$ 980,048	\$ -	\$ 980,048
Intergovernmental	170,498	21,659	192,157
Fees and Charges for Services	10,600	-	10,600
Capital Contributions and Fees	-	4,331,583	4,331,583
Investment Earnings	15,876	49,066	64,942
Total Revenues	1,177,022	4,402,308	5,579,330
EXPENDITURES			
Current Operating:			
Parks and Recreation	122,723	-	122,723
Capital Outlay	181,112	2,497,832	2,678,944
Total Expenditures	303,835	2,497,832	2,801,667
Excess of Revenues Over Expenditures	873,187	1,904,476	2,777,663
OTHER FINANCING USES			
Transfers Out	(2,381,926)	(8,700)	(2,390,626)
Total Other Financing Uses	(2,381,926)	(8,700)	(2,390,626)
Net Change in Fund Balance	(1,508,739)	1,895,776	387,037
Fund Balance - Beginning	5,441,907	10,883,582	16,325,489
Fund Balance - Ending	\$ 3,933,168	\$ 12,779,358	\$ 16,712,526

Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2015

	Conservation Trust Fund	Cemetery Fund	Forfeiture and Seizure Fund
ASSETS			
Pooled Cash and Investments	\$ 483,693	\$ 132,356	\$ 6,210
Receivables	604	200	9
Total Assets	<u>\$ 484,297</u>	<u>\$ 132,556</u>	<u>\$ 6,219</u>
LIABILITIES			
Accounts Payable	\$ -	\$ 2,402	\$ -
Wages Payable	682	-	-
Total Liabilities	<u>682</u>	<u>2,402</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Property Taxes	-	-	-
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Restricted for:			
Parks and Open Space	483,615	-	-
Public Safety	-	-	6,219
Committed to:			
Cemetery Operations	-	130,154	-
Total Fund Balances	<u>483,615</u>	<u>130,154</u>	<u>6,219</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 484,297</u>	<u>\$ 132,556</u>	<u>\$ 6,219</u>

Trails & Natural Areas Fund	Total
\$ 3,331,818	\$ 3,954,077
<u>1,163,472</u>	<u>1,164,285</u>
<u>\$ 4,495,290</u>	<u>\$ 5,118,362</u>
\$ 23,280	\$ 25,682
<u>-</u>	<u>682</u>
<u>23,280</u>	<u>26,364</u>
<u>1,158,830</u>	<u>1,158,830</u>
<u>1,158,830</u>	<u>1,158,830</u>
3,313,180	3,796,795
-	6,219
<u>-</u>	<u>130,154</u>
<u>3,313,180</u>	<u>3,933,168</u>
<u>\$ 4,495,290</u>	<u>\$ 5,118,362</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2015

	Conservation Trust Fund	Cemetery Fund	Forfeiture and Seizure Fund	Solid Waste/ Streets Fund
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Intergovernmental	170,498	-	-	-
Fees and Charges for Services	-	10,600	-	-
Investment Earnings	1,681	544	23	-
Total Revenues	<u>172,179</u>	<u>11,144</u>	<u>23</u>	<u>-</u>
EXPENDITURES				
Current Operating:				
Parks and Recreation	107,611	-	-	-
Capital Outlay	<u>-</u>	<u>32,986</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>107,611</u>	<u>32,986</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>64,568</u>	<u>(21,842)</u>	<u>23</u>	<u>-</u>
OTHER FINANCING USES				
Transfers Out	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,066,926)</u>
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>(2,066,926)</u>
Net Change in Fund Balance	64,568	(21,842)	23	(2,066,926)
Fund Balance - Beginning	<u>419,047</u>	<u>151,996</u>	<u>6,196</u>	<u>2,066,926</u>
Fund Balance - Ending	<u>\$ 483,615</u>	<u>\$ 130,154</u>	<u>\$ 6,219</u>	<u>\$ -</u>

<u>Trails & Natural Areas</u>	
<u>Fund</u>	<u>Total</u>
\$ 980,048	\$ 980,048
-	170,498
-	10,600
<u>13,628</u>	<u>15,876</u>
<u>993,676</u>	<u>1,177,022</u>
15,112	122,723
<u>148,126</u>	<u>181,112</u>
<u>163,238</u>	<u>303,835</u>
<u>830,438</u>	<u>873,187</u>
<u>(315,000)</u>	<u>(2,381,926)</u>
<u>(315,000)</u>	<u>(2,381,926)</u>
515,438	(1,508,739)
<u>2,797,742</u>	<u>5,441,907</u>
<u>\$ 3,313,180</u>	<u>\$ 3,933,168</u>

Town of Erie, Colorado
 Conservation Trust Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ 180,000	\$ 160,000	\$ 170,498	\$ 10,498
Investment Earnings	1,000	1,000	1,681	681
Total Revenues	<u>181,000</u>	<u>161,000</u>	<u>172,179</u>	<u>11,179</u>
EXPENDITURES				
Current Operating:				
Parks and Recreation	<u>145,600</u>	<u>146,400</u>	<u>107,611</u>	<u>38,789</u>
Total Expenditures	<u>145,600</u>	<u>146,400</u>	<u>107,611</u>	<u>38,789</u>
Excess of Revenues Over Expenditures	<u>35,400</u>	<u>14,600</u>	<u>64,568</u>	<u>49,968</u>
Net Change in Fund Balance	<u>\$ 35,400</u>	<u>\$ 14,600</u>	64,568	<u>\$ 49,968</u>
Fund Balance - Beginning			<u>419,047</u>	
Fund Balance - Ending			<u>\$ 483,615</u>	

Town of Erie, Colorado
 Cemetery Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Fees and Charges for Services	\$ 1,800	\$ 10,100	\$ 10,600	\$ 500
Investment Earnings	100	100	544	444
Total Revenues	1,900	10,200	11,144	944
EXPENDITURES				
Capital Outlay	60,000	60,000	32,986	27,014
Total Expenditures	60,000	60,000	32,986	27,014
Deficiency of Revenues Under Expenditures	(58,100)	(49,800)	(21,842)	27,958
Net Change in Fund Balance	\$ (58,100)	\$ (49,800)	(21,842)	\$ 27,958
Fund Balance - Beginning			151,996	
Fund Balance - Ending			\$ 130,154	

Town of Erie, Colorado
 Forfeiture and Seizure Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance
 Budget and Actual
 For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Investment Earnings	\$ -	\$ -	\$ 23	\$ 23
Total Revenues	-	-	23	23
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	-	-	23	23
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	23	<u>\$ 23</u>
Fund Balance - Beginning			<u>6,196</u>	
Fund Balance - Ending			<u>\$ 6,219</u>	

Town of Erie, Colorado
Solid Waste/Streets Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Fees and Charges for Services	\$ 1,400,000	\$ -	\$ -	\$ -
Total Revenues	1,400,000	-	-	-
EXPENDITURES				
Total Expenditures	-	-	-	-
Excess of Revenues Over Expenditures	1,400,000	-	-	-
OTHER FINANCING USES				
Transfers Out	(1,600,000)	(2,066,926)	(2,066,926)	-
Total Other Financing Uses	(1,600,000)	(2,066,926)	(2,066,926)	-
Net Change in Fund Balance	\$ (200,000)	\$ (2,066,926)	(2,066,926)	\$ -
Fund Balance - Beginning			2,066,926	
Fund Balance - Ending			\$ -	

Town of Erie, Colorado
Trails and Natural Areas Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Taxes	\$ 984,000	\$ 979,000	\$ 980,048	\$ 1,048
Investment Earnings	15,000	15,000	13,628	(1,372)
Total Revenues	999,000	994,000	993,676	(324)
EXPENDITURES				
Current Operating:				
Parks and Recreation	23,900	26,600	15,112	11,488
Capital Outlay	590,000	2,191,300	148,126	2,043,174
Total Expenditures	613,900	2,217,900	163,238	2,054,662
Excess (Deficiency) of Revenues Over (Under) Expenditures	385,100	(1,223,900)	830,438	2,054,338
OTHER FINANCING USES				
Transfers Out	(317,000)	(300,000)	(315,000)	(15,000)
Total Other Financing Uses	(317,000)	(300,000)	(315,000)	(15,000)
Net Change in Fund Balance	\$ 68,100	\$ (1,523,900)	515,438	\$ 2,039,338
Fund Balance - Beginning			2,797,742	
Fund Balance - Ending			<u>\$ 3,313,180</u>	

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Town of Erie, Colorado
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2015

	Public Facilities Impact Fund	Transportation Impact Fund	Parks Improvement Impact Fund	Tree Impact Fund
ASSETS				
Pooled Cash and Investments	\$ 2,727,745	\$ 3,009,443	\$ 2,341,594	\$ 302,370
Receivables	<u>4,357</u>	<u>4,180</u>	<u>2,542</u>	<u>411</u>
Total Assets	<u>\$ 2,732,102</u>	<u>\$ 3,013,623</u>	<u>\$ 2,344,136</u>	<u>\$ 302,781</u>
LIABILITIES				
Accounts Payable	<u>\$ 122,160</u>	<u>\$ 4,365</u>	<u>\$ 371</u>	<u>\$ 5,200</u>
Total Liabilities	<u>122,160</u>	<u>4,365</u>	<u>371</u>	<u>5,200</u>
FUND BALANCES				
Restricted for:				
Capital Projects	<u>2,609,942</u>	<u>3,009,258</u>	<u>2,343,765</u>	<u>297,581</u>
Total Fund Balances	<u>2,609,942</u>	<u>3,009,258</u>	<u>2,343,765</u>	<u>297,581</u>
Total Liabilities and Fund Balances	<u>\$ 2,732,102</u>	<u>\$ 3,013,623</u>	<u>\$ 2,344,136</u>	<u>\$ 302,781</u>

Storm Drainage Impact Fund	Total
\$ 4,512,889	\$ 12,894,041
6,043	17,533
<u>\$ 4,518,932</u>	<u>\$ 12,911,574</u>
<u>\$ 120</u>	<u>\$ 132,216</u>
<u>120</u>	<u>132,216</u>
<u>4,518,812</u>	<u>12,779,358</u>
<u>4,518,812</u>	<u>12,779,358</u>
<u>\$ 4,518,932</u>	<u>\$ 12,911,574</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2015

	Public Facilities Impact Fund	Transportation Impact Fund	Parks Improvement Impact Fund	Tree Impact Fund
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Capital Contributions and Fees	801,369	1,391,466	1,441,867	126,900
Investment Earnings	12,098	11,110	8,012	1,172
Total Revenues	<u>813,467</u>	<u>1,402,576</u>	<u>1,449,879</u>	<u>128,072</u>
EXPENDITURES				
Capital Outlay	<u>1,207,319</u>	<u>1,079,494</u>	<u>28,194</u>	<u>83,154</u>
Total Expenditures	<u>1,207,319</u>	<u>1,079,494</u>	<u>28,194</u>	<u>83,154</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(393,852)</u>	<u>323,082</u>	<u>1,421,685</u>	<u>44,918</u>
OTHER FINANCING USES				
Transfers Out	<u>(8,700)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Financing Uses	<u>(8,700)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balance	(402,552)	323,082	1,421,685	44,918
Fund Balance - Beginning	<u>3,012,494</u>	<u>2,686,176</u>	<u>922,080</u>	<u>252,663</u>
Fund Balance - Ending	<u>\$ 2,609,942</u>	<u>\$ 3,009,258</u>	<u>\$ 2,343,765</u>	<u>\$ 297,581</u>

Storm Drainage	
Impact Fund	Total
\$ 21,659	\$ 21,659
569,981	4,331,583
<u>16,674</u>	<u>49,066</u>
<u>608,314</u>	<u>4,402,308</u>
<u>99,671</u>	<u>2,497,832</u>
<u>99,671</u>	<u>2,497,832</u>
<u>508,643</u>	<u>1,904,476</u>
<u>-</u>	<u>(8,700)</u>
<u>-</u>	<u>(8,700)</u>
508,643	1,895,776
<u>4,010,169</u>	<u>10,883,582</u>
<u>\$ 4,518,812</u>	<u>\$ 12,779,358</u>

Town of Erie, Colorado
Public Facilities Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 908,200	\$ 928,700	\$ 801,369	\$ (127,331)
Investment Earnings	2,800	2,800	12,098	9,298
Total Revenues	<u>911,000</u>	<u>931,500</u>	<u>813,467</u>	<u>(118,033)</u>
EXPENDITURES				
Capital Outlay	<u>590,000</u>	<u>1,288,300</u>	<u>1,207,319</u>	<u>80,981</u>
Total Expenditures	<u>590,000</u>	<u>1,288,300</u>	<u>1,207,319</u>	<u>80,981</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>321,000</u>	<u>(356,800)</u>	<u>(393,852)</u>	<u>(37,052)</u>
OTHER FINANCING USES				
Transfers Out	<u>(8,700)</u>	<u>(8,700)</u>	<u>(8,700)</u>	<u>-</u>
Total Other Financing Uses	<u>(8,700)</u>	<u>(8,700)</u>	<u>(8,700)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 312,300</u>	<u>\$ (365,500)</u>	<u>(402,552)</u>	<u>\$ (37,052)</u>
Fund Balance - Beginning			<u>3,012,494</u>	
Fund Balance - Ending			<u>\$ 2,609,942</u>	

Town of Erie, Colorado
Transportation Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ -	\$ 160,000	\$ -	\$ (160,000)
Capital Contributions and Fees	967,500	994,600	1,391,466	396,866
Investment Earnings	1,000	1,000	11,110	10,110
Total Revenues	<u>968,500</u>	<u>1,155,600</u>	<u>1,402,576</u>	<u>246,976</u>
EXPENDITURES				
Capital Outlay	<u>1,142,000</u>	<u>3,212,900</u>	<u>1,079,494</u>	<u>2,133,406</u>
Total Expenditures	<u>1,142,000</u>	<u>3,212,900</u>	<u>1,079,494</u>	<u>2,133,406</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(173,500)</u>	<u>(2,057,300)</u>	<u>323,082</u>	<u>2,380,382</u>
Net Change in Fund Balance	<u>\$ (173,500)</u>	<u>\$ (2,057,300)</u>	323,082	<u>\$ 2,380,382</u>
Fund Balance - Beginning			<u>2,686,176</u>	
Fund Balance - Ending			<u>\$ 3,009,258</u>	

Town of Erie, Colorado
Parks Improvement Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 866,000	\$ 1,391,000	\$ 1,441,867	\$ 50,867
Investment Earnings	800	800	8,012	7,212
Total Revenues	<u>866,800</u>	<u>1,391,800</u>	<u>1,449,879</u>	<u>58,079</u>
EXPENDITURES				
Capital Outlay	<u>19,500</u>	<u>29,500</u>	<u>28,194</u>	<u>1,306</u>
Total Expenditures	<u>19,500</u>	<u>29,500</u>	<u>28,194</u>	<u>1,306</u>
Excess of Revenues Over Expenditures	<u>847,300</u>	<u>1,362,300</u>	<u>1,421,685</u>	<u>59,385</u>
Net Change in Fund Balance	<u>\$ 847,300</u>	<u>\$ 1,362,300</u>	1,421,685	<u>\$ 59,385</u>
Fund Balance - Beginning			<u>922,080</u>	
Fund Balance - Ending			<u>\$ 2,343,765</u>	

Town of Erie, Colorado
Tree Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Capital Contributions and Fees	\$ 120,000	\$ 120,000	\$ 126,900	\$ 6,900
Investment Earnings	200	200	1,172	972
Total Revenues	<u>120,200</u>	<u>120,200</u>	<u>128,072</u>	<u>7,872</u>
EXPENDITURES				
Capital Outlay	<u>118,000</u>	<u>118,000</u>	<u>83,154</u>	<u>34,846</u>
Total Expenditures	<u>118,000</u>	<u>118,000</u>	<u>83,154</u>	<u>34,846</u>
Excess of Revenues Over Expenditures	<u>2,200</u>	<u>2,200</u>	<u>44,918</u>	<u>42,718</u>
Net Change in Fund Balance	<u>\$ 2,200</u>	<u>\$ 2,200</u>	44,918	<u>\$ 42,718</u>
Fund Balance - Beginning			<u>252,663</u>	
Fund Balance - Ending			<u>\$ 297,581</u>	

Town of Erie, Colorado
Storm Drainage Impact Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget and Actual
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 21,659	\$ 21,659
Capital Contributions and Fees	590,000	611,800	569,981	(41,819)
Investment Earnings	900	900	16,674	15,774
Total Revenues	<u>590,900</u>	<u>612,700</u>	<u>608,314</u>	<u>(4,386)</u>
EXPENDITURES				
Capital Outlay	<u>550,000</u>	<u>3,607,500</u>	<u>99,671</u>	<u>3,507,829</u>
Total Expenditures	<u>550,000</u>	<u>3,607,500</u>	<u>99,671</u>	<u>3,507,829</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>40,900</u>	<u>(2,994,800)</u>	<u>508,643</u>	<u>3,503,443</u>
Net Change in Fund Balance	<u>\$ 40,900</u>	<u>\$ (2,994,800)</u>	508,643	<u>\$ 3,503,443</u>
Fund Balance - Beginning			<u>4,010,169</u>	
Fund Balance - Ending			<u>\$ 4,518,812</u>	

**Town of Erie
Proprietary Funds**

Nonmajor Proprietary Funds:

Storm Drainage Operating Fund: Accounts for storm drainage charges received from system users. This money is used to construct and maintain the storm drainage system.

Airport Fund: Accounts for airport fees received from airport users, as well as proceeds from federal and state aviation grants. This money is used to construct and maintain the municipal airport.

Erie Housing Authority Fund: Accounts for rents received from authority tenants as well as federal subsidies for low income tenants. This money is used to maintain these housing facilities.

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

This section also presents budgetary comparisons for the following funds:

Water Fund

Wastewater Fund

Storm Drainage Operating Fund

Airport Fund

Town of Erie, Colorado
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2015

	Storm Drainage Operating Fund	Airport Fund	Erie Housing Authority	Total Nonmajor Proprietary Funds
ASSETS				
Current Assets				
Pooled Cash and Investments	\$ 989,056	\$ 34,244	\$ 4,691	\$ 1,027,991
Restricted Cash and Investments	-	-	375,879	375,879
Receivables	61,646	29,942	147	91,735
Prepaid Items	-	15,229	-	15,229
Total Current Assets	<u>1,050,702</u>	<u>79,415</u>	<u>380,717</u>	<u>1,510,834</u>
Noncurrent Assets				
Capital Assets				
Construction in Progress	707,673	-	-	707,673
Land and Water Rights	63,705	592,295	-	656,000
Buildings, Property, and Equipment	11,683,362	5,691,415	1,160,900	18,535,677
Accumulated Depreciation	<u>(2,655,553)</u>	<u>(1,927,182)</u>	<u>(428,081)</u>	<u>(5,010,816)</u>
Total Capital Assets	<u>9,799,187</u>	<u>4,356,528</u>	<u>732,819</u>	<u>14,888,534</u>
Total Noncurrent Assets	<u>9,799,187</u>	<u>4,356,528</u>	<u>732,819</u>	<u>14,888,534</u>
Total Assets	<u>10,849,889</u>	<u>4,435,943</u>	<u>1,113,536</u>	<u>16,399,368</u>
LIABILITIES				
Current Liabilities				
Accounts Payable	18,699	-	37,758	56,457
Accrued Interest Payable	4,470	-	67	4,537
Wages Payable	5,927	25	-	5,952
Other Liabilities	-	-	4,145	4,145
Compensated Absences	3,551	260	-	3,811
Current Portion of Long Term Debt				
Loans Payable	12,264	-	369,232	381,496
Mortgages Payable	-	-	366,611	366,611
Total Current Liabilities	<u>44,911</u>	<u>285</u>	<u>777,813</u>	<u>823,009</u>
Noncurrent Liabilities				
Compensated Absences	177	177	-	354
Advances from Other Funds	-	-	170,000	170,000
Long Term Debt, Net of Unamortized Premiums and Discounts				
Loans Payable	<u>285,716</u>	<u>-</u>	<u>-</u>	<u>285,716</u>
Total Noncurrent Liabilities	<u>285,893</u>	<u>177</u>	<u>170,000</u>	<u>456,070</u>
Total Liabilities	<u>330,804</u>	<u>462</u>	<u>947,813</u>	<u>1,279,079</u>
NET POSITION				
Net Investment in Capital Assets				
Unrestricted	<u>9,501,207</u>	<u>4,356,528</u>	<u>(3,024)</u>	<u>13,854,711</u>
	<u>1,017,878</u>	<u>78,953</u>	<u>168,747</u>	<u>1,265,578</u>
Total Net Position	<u>\$ 10,519,085</u>	<u>\$ 4,435,481</u>	<u>\$ 165,723</u>	<u>\$ 15,120,289</u>

Town of Erie, Colorado
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2015

	Storm Drainage Operating Fund	Airport Fund	Erie Housing Authority Fund	Total Nonmajor Proprietary Funds
OPERATING REVENUES				
Charges for Services	\$ 514,714	\$ 5,611	\$ 80,183	\$ 600,508
OPERATING EXPENSES				
Personnel Services	112,196	3,892	-	116,088
Operations and Maintenance	291,739	86,693	56,967	435,399
Depreciation	254,073	247,384	29,022	530,479
Total Operating Expenses	658,008	337,969	85,989	1,081,966
Net Operating Loss	(143,294)	(332,358)	(5,806)	(481,458)
NON-OPERATING REVENUES (EXPENSES)				
Investment Earnings	3,621	173	743	4,537
Intergovernmental	-	58,390	-	58,390
Other Non-Operating Income	-	39,239	-	39,239
Interest Expense	(6,020)	-	(26,381)	(32,401)
Gain (Loss) on Disposition of Capital Assets	-	3,045	-	3,045
Total Non-Operating Revenues (Expenses)	(2,399)	100,847	(25,638)	72,810
Loss Before Capital Contributions and Transfers	(145,693)	(231,511)	(31,444)	(408,648)
Capital Contributions	25,505	37,215	-	62,720
Transfers In	-	-	9,349	9,349
Change in Net Position	(120,188)	(194,296)	(22,095)	(336,579)
Total Net Position - Beginning	10,639,273	4,629,777	187,818	15,456,868
Total Net Position - Ending	\$ 10,519,085	\$ 4,435,481	\$ 165,723	\$ 15,120,289

Town of Erie, Colorado
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2015

	Storm Drainage Operating Fund	Airport Fund	Erie Housing Authority	Total Nonmajor Proprietary Funds
Cash Flows from Operating Activities				
Receipts from Customers and Users	\$ 508,916	\$ 34,538	\$ 79,982	\$ 623,436
Payments to Employees	(112,768)	(3,907)	-	(116,675)
Payments to Suppliers	(317,245)	(129,660)	(53,964)	(500,869)
Net Cash Provided by (Used in) Operating Activities	78,903	(99,029)	26,018	5,892
Cash Flows from Non-capital Financing Activities				
Operating Grants	-	39,116	-	39,116
Transfer from Other Funds	-	-	9,349	9,349
Cash Flows Provided by Non-capital Financing Activities	-	39,116	9,349	48,465
Cash Flows from Capital and Related Financing Activities				
Receipts from Capital Grants	-	72,889	-	72,889
Acquisition and Construction of Capital Assets	(21,922)	(41,910)	-	(63,832)
Proceeds from Sales of Capital Assets	-	3,045	-	3,045
Principal Paid on Capital Debt	(12,023)	-	(9,990)	(22,013)
Interest Paid on Capital Debt	(6,200)	-	(26,598)	(32,798)
Capital Contributions	25,505	-	-	25,505
Cash Flows Provided by (Used in) Capital and Related Financing Activities	(14,640)	34,024	(36,588)	(17,204)
Cash Flows from Investing Activities				
Earnings on Investments	3,349	173	(600)	2,922
Cash Flows Provided by (Used in) Investing Activities	3,349	173	(600)	2,922
Net Increase (Decrease) in Pooled Cash and Investments	67,612	(25,716)	(1,821)	40,075
Pooled Cash and Investments - January 1	921,444	59,960	6,512	987,916
Pooled Cash and Investments - December 31	\$ 989,056	\$ 34,244	\$ 4,691	\$ 1,027,991
Reconciliation of Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Operating Loss	\$ (143,294)	\$ (332,358)	\$ (5,806)	\$ (481,458)
Adjustments to Reconcile Operating Loss to Net Cash Provided by (Used in) Operating Activities				
Depreciation Expense	254,073	247,384	29,022	530,479
Other Income	-	39,239	-	39,239
(Increase) Decrease in				
Accounts Receivable	(5,798)	(10,312)	(56)	(16,166)
Prepaid Items	-	(14,014)	-	(14,014)
Increase (Decrease) in				
Accounts Payable	(25,506)	(28,953)	2,857	(51,602)
Wages Payable	(999)	(55)	-	(1,054)
Compensated Absences Payable	427	40	-	467
Other Liabilities	-	-	146	146
Deferred Revenue	-	-	(145)	(145)
Net Cash Provided by (Used in) Operating Activities	\$ 78,903	\$ (99,029)	\$ 26,018	\$ 5,892

Town of Eric, Colorado
Water Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 6,970,000	\$ 6,890,000	\$ 7,131,476	\$ 241,476
Capital Contributions and Fees	10,689,400	10,794,400	11,040,531	246,131
Intergovernmental	-	-	15,710	15,710
Investment Earnings	25,000	25,000	69,333	44,333
Miscellaneous	25,000	25,000	10,758	(14,242)
Total Revenues	<u>17,709,400</u>	<u>17,734,400</u>	<u>18,267,808</u>	<u>533,408</u>
EXPENDITURES				
Operating Expenditures				
Personnel Services	1,647,700	1,657,600	1,620,392	37,208
Operations and Maintenance	2,752,900	2,785,600	1,903,067	882,533
Capital Outlay	7,178,600	10,814,100	3,395,746	7,418,354
Debt Related Expenses				
Principal Payments	2,245,000	2,255,000	2,255,000	-
Interest Expense	2,209,100	1,881,800	2,176,444	(294,644)
Debt Issuance Costs	-	228,500	228,508	(8)
Total Expenditures	<u>16,033,300</u>	<u>19,622,600</u>	<u>11,579,157</u>	<u>8,043,443</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from Debt Issuance	-	13,404,500	13,404,456	(44)
Debt Service Escrow Payment	-	(13,558,000)	(13,258,245)	(299,755)
Total Other Financing/Sources (Uses)	<u>-</u>	<u>(153,500)</u>	<u>146,211</u>	<u>(299,799)</u>
Change in Net Position, Budget Basis	<u>\$ 1,676,100</u>	<u>\$ (2,041,700)</u>	<u>6,834,862</u>	<u>\$ 8,277,052</u>
Reconciliation to GAAP Basis:				
Debt Proceeds			(13,404,456)	
Payment to refunded bonds escrow agent			13,258,245	
Bond Principal Payments			2,255,000	
Debt Issuance Costs			32,998	
Change in Accrued Interest Payable			(105,513)	
Change in Compensated Absences Payable			(21,499)	
Capital Outlay			3,194,199	
Depreciation and Amortization			(2,601,557)	
Loss on Disposition of Assets			(2,040,419)	
Change in Net Position, GAAP Basis			7,401,860	
Total Net Position - Beginning			<u>111,530,314</u>	
Total Net Position - Ending			<u>\$ 118,932,174</u>	

Town of Erie, Colorado
Wastewater Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 4,365,000	\$ 4,140,000	\$ 4,143,696	\$ 3,696
Capital Contributions and Fees	2,124,000	2,395,700	2,500,734	105,034
Investment Earnings	20,000	20,000	53,377	33,377
Total Revenues	<u>6,509,000</u>	<u>6,555,700</u>	<u>6,697,807</u>	<u>142,107</u>
EXPENDITURES				
Operating Expenditures				
Personnel Services	1,464,000	1,472,500	1,424,341	48,159
Operations and Maintenance	1,450,400	1,453,700	1,104,581	349,119
Capital Outlay	4,965,000	6,789,000	416,662	6,372,338
Debt Related Expenses				
Principal Payments	600,500	600,500	600,491	9
Interest Expense	937,900	937,900	934,778	3,122
Total Expenditures	<u>9,417,800</u>	<u>11,253,600</u>	<u>4,480,853</u>	<u>6,772,747</u>
OTHER FINANCING SOURCES				
Insurance Recoveries	-	12,900	12,910	10
Total Other Financing/Sources	<u>-</u>	<u>12,900</u>	<u>12,910</u>	<u>10</u>
Change in Net Position, Budget Basis	<u>\$ (2,908,800)</u>	<u>\$ (4,685,000)</u>	2,229,864	<u>\$ 6,914,864</u>
Reconciliation to GAAP Basis:				
Principal Payments			600,491	
Change in Accrued Interest Payable			6,066	
Change in Compensated Absences Payable			(14,012)	
Capital Outlay			413,113	
Depreciation and Amortization			(1,454,321)	
Loss on Disposition of Assets			(5,624,401)	
Change in Net Position, GAAP Basis			(3,843,200)	
Total Net Position - Beginning			<u>42,045,545</u>	
Total Net Position - Ending			<u>\$ 38,202,345</u>	

Town of Erie, Colorado
Storm Drainage Operating Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 525,000	\$ 516,000	\$ 514,714	\$ (1,286)
Capital Contributions and Fees	-	-	25,505	25,505
Investment Earnings	-	-	3,621	3,621
Total Revenues	<u>525,000</u>	<u>516,000</u>	<u>543,840</u>	<u>27,840</u>
EXPENDITURES				
Operating Expenditures				
Personnel Services	114,600	115,200	111,769	3,431
Operations and Maintenance	186,800	176,200	111,108	65,092
Capital Outlay	202,000	802,700	202,553	600,147
Debt Related Expenses				
Principal Payments	12,000	12,000	12,023	(23)
Interest Expense	6,200	6,200	6,200	-
Total Expenditures	<u>521,600</u>	<u>1,112,300</u>	<u>443,653</u>	<u>668,647</u>
Change in Net Position, Budget Basis	<u>\$ 3,400</u>	<u>\$ (596,300)</u>	100,187	<u>\$ 696,487</u>
Reconciliation to GAAP Basis:				
Principal Payments			12,023	
Change in Accrued Interest Payable			180	
Change in Compensated Absences Payable			(427)	
Capital Outlay			21,922	
Depreciation and Amortization			<u>(254,073)</u>	
Change in Net Position, GAAP Basis			(120,188)	
Total Net Position - Beginning			<u>10,639,273</u>	
Total Net Position - Ending			<u>\$ 10,519,085</u>	

Town of Erie, Colorado
Airport Fund
Schedule of Revenues, Expenses, and Changes in Fund Net Position
Budget and Actual (Non-GAAP Budgetary Basis)
For the Year Ended December 31, 2015

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original Budget	Final Budget		
REVENUES				
Charges for Services	\$ 7,800	\$ 5,600	\$ 5,611	\$ 11
Capital Contributions and Fees	208,333	293,200	37,215	(255,985)
Intergovernmental	-	100,100	58,390	(41,710)
Investment Earnings	-	-	173	173
Miscellaneous	41,500	41,500	39,239	(2,261)
Total Revenues	257,633	440,400	140,628	(299,772)
EXPENDITURES				
Operating Expenditures				
Personnel Services	3,800	3,800	3,851	(51)
Operations and Maintenance	19,700	25,600	22,204	3,396
Capital Outlay	222,222	436,300	106,399	329,901
Total Expenditures	245,722	465,700	132,454	333,246
OTHER FINANCING SOURCES				
Sale of Capital Assets	-	-	3,045	3,045
Total Other Financing/Sources	-	-	3,045	3,045
Change in Net Position, Budget Basis	\$ 11,911	\$ (25,300)	11,219	\$ 36,519
Reconciliation to GAAP Basis:				
Change in Compensated Absences Payable			(41)	
Capital Outlay			41,910	
Depreciation and Amortization			(247,384)	
Change in Net Position, GAAP Basis			(194,296)	
Total Net Position - Beginning			4,629,777	
Total Net Position - Ending			\$ 4,435,481	

Statistical Section

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This part of the Town of Erie’s comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

Contents	Page
Financial Trends <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>	115
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>	119
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>	128
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>	134
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>	136

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013 ⁽¹⁾	2014	2015 ⁽²⁾
Governmental Activities										
Net Investment in Capital Assets	\$ 24,900,765	\$ 53,190,093	\$ 57,152,274	\$ 65,207,177	\$ 72,498,257	\$ 72,014,062	\$ 74,135,764	\$ 77,940,386	\$ 81,995,267	\$ 83,754,661
Restricted	22,213,890	21,364,804	22,628,014	17,065,975	21,282,036	16,385,652	19,194,615	19,769,068	18,521,700	21,372,046
Unrestricted	2,970,428	16,480,097	19,422,764	17,917,745	8,127,869	13,780,904	10,221,089	7,505,621	7,907,992	7,096,865
Total Governmental Activities Net Position	\$ 7,681,283	\$ 91,034,994	\$ 99,203,052	\$ 100,190,897	\$ 101,908,162	\$ 102,180,618	\$ 103,551,468	\$ 105,215,075	\$ 108,424,959	\$ 112,223,572
Business-type Activities										
Net Investment in Capital Assets	\$ 103,006,082	\$ 112,940,934	\$ 121,520,053	\$ 129,658,852	\$ 139,778,932	\$ 131,296,683	\$ 131,076,105	\$ 138,601,037	\$ 144,136,677	\$ 138,280,725
Restricted	4,583,110	14,328,718	15,722,590	5,939,968	7,790,656	7,125,596	7,195,376	1,699,317	1,960,235	1,982,998
Unrestricted	25,951,901	19,793,449	16,889,395	20,708,504	10,662,206	17,313,158	19,982,088	22,531,638	22,935,815	31,991,085
Total Business-type Activities Net Position	\$ 133,541,093	\$ 147,063,101	\$ 154,132,038	\$ 156,307,324	\$ 158,231,794	\$ 155,735,437	\$ 158,253,569	\$ 162,831,992	\$ 169,032,727	\$ 172,254,808
Primary Government										
Net Investment in Capital Assets	\$ 127,906,847	\$ 166,131,027	\$ 178,672,327	\$ 194,866,029	\$ 212,277,189	\$ 203,310,745	\$ 205,211,869	\$ 216,541,423	\$ 226,131,944	\$ 222,035,386
Restricted	26,797,000	35,693,522	38,350,604	23,005,943	29,072,692	23,511,248	26,389,991	21,468,385	20,481,935	23,355,044
Unrestricted	55,656,529	36,273,546	36,312,159	38,626,249	18,790,075	31,094,062	30,203,177	30,037,259	30,843,807	39,087,950
Total Primary Government Net Position	\$ 210,360,376	\$ 238,098,095	\$ 253,335,090	\$ 256,498,221	\$ 260,139,956	\$ 257,916,055	\$ 261,805,037	\$ 268,047,067	\$ 277,457,686	\$ 284,478,380

Source: Town of Erie Finance Department

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

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

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

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013 ⁽¹⁾	2014	2015 ⁽²⁾
Expenses										
Governmental Activities:										
General Government	\$ 2,279,543	\$ 2,852,921	\$ 2,542,611	\$ 2,191,872	\$ 2,025,071	\$ 2,215,449	\$ 2,315,020	\$ 3,424,886	\$ 4,173,232	\$ 6,364,236
Public Safety	1,864,065	1,934,542	2,070,326	2,106,365	2,337,449	2,361,217	2,392,865	2,562,909	2,810,944	3,065,695
Public Works	2,215,283	2,457,612	2,830,931	2,757,873	2,771,238	3,168,315	3,283,741	5,365,419	5,607,191	4,611,400
Parks & Recreation	1,453,447	1,833,112	4,178,321	4,700,478	5,209,771	6,038,210	6,214,564	4,528,156	4,591,031	6,248,337
Interest on Long-Term Debt	245,770	1,177,219	907,069	868,802	854,380	819,064	780,479	649,304	681,174	720,371
Total Governmental Activities Expenses	8,058,108	10,255,406	12,529,258	12,625,390	13,197,909	14,602,255	14,986,669	16,530,674	17,863,572	21,010,039
Business-type Activities:										
Water	4,916,945	5,849,291	5,920,041	6,412,330	6,830,005	7,167,474	7,666,733	8,176,581	8,988,723	10,865,948
Wastewater	2,019,365	2,060,713	2,370,152	2,728,947	3,261,244	3,874,319	4,538,293	4,676,937	4,980,408	10,553,917
Storm Drainage	321,017	345,266	359,817	381,752	372,769	400,859	418,621	447,151	412,940	664,028
Airport	482,347	479,946	246,451	320,180	265,896	314,911	299,977	445,648	263,355	337,969
Housing Authority	106,572	107,822	118,011	109,513	114,313	117,270	107,136	111,463	119,300	112,370
Total Business-type Activities Expenses	7,846,246	8,843,038	9,014,472	9,952,722	10,844,227	11,874,833	13,030,760	13,857,780	14,764,726	22,534,232
Total Primary Government Expenses	\$ 15,904,354	\$ 19,098,444	\$ 21,543,730	\$ 22,578,112	\$ 24,042,136	\$ 26,477,088	\$ 28,017,429	\$ 30,388,454	\$ 32,628,298	\$ 43,544,271
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	\$ 1,435,627	\$ 970,615	\$ 1,180,105	\$ 656,516	\$ 572,119	\$ 636,727	\$ 619,763	\$ 1,028,882	\$ 1,199,010	\$ 1,607,509
Public Safety	192,831	113,193	108,343	121,429	135,506	162,864	176,375	246,843	249,004	219,581
Public Works	403,518	634,361	1,208,708	953,418	1,796,856	1,512,843	1,259,149	1,808,015	2,021,365	2,164,559
Parks and Recreation	65,400	78,197	1,355,988	1,254,479	1,904,056	1,878,354	1,723,388	1,874,591	1,935,127	2,013,213
Operating Grants and Contributions	48,899	21,560	14,637	128,680	73,748	128,031	1,002,109	1,020,806	1,095,717	1,127,940
Capital Grants and Contributions	18,138,215	11,364,555	7,000,266	2,121,328	1,894,614	1,382,427	1,670,546	2,153,798	3,188,496	4,455,967
Total Governmental Activities Program Revenues	20,284,490	13,182,481	10,868,047	5,235,850	6,376,899	5,701,246	6,451,330	8,132,935	9,688,719	11,588,769
Business-type Activities:										
Charges for Services										
Water	4,792,751	4,803,707	5,395,596	4,995,495	5,511,767	6,321,368	7,104,638	6,393,236	6,514,590	7,131,476
Wastewater	1,738,799	2,004,146	2,123,952	2,359,528	2,774,232	3,112,916	3,535,547	4,141,562	4,267,375	4,143,696
Other Activities	757,614	763,136	574,355	552,392	560,669	529,895	499,623	498,000	510,239	600,508
Operating Grants and Contributions	-	-	-	-	-	-	73,455	66,438	54,829	74,100
Capital Grants and Contributions	14,934,116	12,481,218	6,312,796	3,689,777	3,720,291	3,701,122	4,276,591	7,673,635	9,196,375	13,603,985
Total Business-type Activities Program Revenues	22,223,280	20,052,207	14,406,699	11,597,192	12,566,959	13,665,301	15,489,854	18,772,871	20,543,408	25,553,765
Total Primary Government Program Revenues	\$ 42,507,770	\$ 33,234,688	\$ 25,274,746	\$ 16,833,042	\$ 18,943,858	\$ 19,366,547	\$ 21,941,184	\$ 26,905,806	\$ 30,232,127	\$ 37,142,534
Net (Expense) Revenue										
Governmental Activities	\$ 12,226,382	\$ 2,927,075	\$ (1,661,211)	\$ (7,389,540)	\$ (6,821,010)	\$ (8,901,009)	\$ (8,535,339)	\$ (8,397,739)	\$ (8,174,853)	\$ (9,421,270)
Business-type Activities	14,377,034	11,209,169	5,392,227	1,644,479	1,722,732	1,790,468	2,459,094	4,915,091	5,778,682	3,019,533
Total Primary Government Net (Expense) Revenue	\$ 26,603,416	\$ 14,136,244	\$ 3,731,016	\$ (5,745,070)	\$ (5,098,278)	\$ (7,110,541)	\$ (6,076,245)	\$ (3,482,648)	\$ (2,396,171)	\$ (6,401,737)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 1,628,286	\$ 3,078,525	\$ 3,556,517	\$ 3,720,316	\$ 3,947,570	\$ 3,880,843	\$ 3,962,431	\$ 3,977,786	\$ 3,993,379	\$ 4,316,592
Sales & Use Taxes	4,619,335	3,922,663	3,559,908	3,126,330	3,420,184	3,692,180	4,096,437	4,914,157	5,633,645	6,762,462
Franchise Taxes	456,110	507,525	589,062	571,130	684,352	561,740	638,792	685,918	708,894	717,589
Specific Ownership Taxes	139,605	255,553	284,928	253,376	221,453	234,005	258,258	239,435	286,551	279,094
Intergovernmental - Unrestricted	-	-	-	-	-	-	107,617	103,540	207,505	249,784
Investment Earnings	2,193,728	2,734,514	1,633,905	621,372	262,564	250,191	182,476	102,215	169,030	127,840
Other Miscellaneous	455,373	789,859	204,950	84,860	207,953	556,947	423,901	212,691	613,890	379,013
Transfers In/Out	-	-	-	-	(19,813)	(21,547)	(20,087)	(18,137)	(228,157)	(9,349)
Total Governmental Activities	9,492,437	11,288,639	9,829,270	8,377,384	8,724,263	9,154,359	9,649,825	10,217,605	11,384,737	12,823,025
Business-type Activities:										
Investment Earnings	1,583,138	2,063,478	1,405,388	438,286	155,037	113,452	122,303	82,977	132,694	127,247
Other Miscellaneous	664,385	249,360	271,320	92,529	99,970	101,533	49,538	376,272	61,202	65,952
Transfers In/Out	-	-	-	-	19,813	21,547	20,087	18,137	228,157	9,349
Total Business-type Activities	2,247,523	2,312,838	1,676,708	530,815	274,820	236,532	191,928	477,386	422,053	202,548
Total Primary Government General Revenue and Other Changes in Net Position	\$ 11,739,960	\$ 13,601,477	\$ 11,505,978	\$ 8,908,199	\$ 8,999,083	\$ 9,390,891	\$ 9,841,753	\$ 10,694,991	\$ 11,806,790	\$ 13,025,573
Changes in Net Position										
Governmental Activities	\$ 21,718,819	\$ 14,215,714	\$ 8,168,059	\$ 987,844	\$ 1,903,253	\$ 253,350	\$ 1,114,486	\$ 1,819,866	\$ 3,209,884	\$ 3,401,755
Business-type Activities	16,624,557	13,522,007	7,068,935	2,175,285	1,997,552	2,027,000	2,651,022	5,392,477	6,200,735	3,222,081
Total Primary Government Changes in Net Position	\$ 38,343,376	\$ 27,737,721	\$ 15,236,994	\$ 3,163,129	\$ 3,900,805	\$ 2,280,350	\$ 3,765,508	\$ 7,212,343	\$ 9,410,619	\$ 6,623,836

Source: Town of Erie Finance Department

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

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

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

	2006	2007	2008	2009	2010	2011 ⁽¹⁾	2012	2013	2014	2015
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 128,000	\$ 1,477,677	\$ 4,030,672	\$ 4,596,194	\$ 5,202,240
Restricted/Reserved	15,307,980	2,884,711	3,664,997	1,253,409	8,025,287	2,163,588	5,009,870	2,286,494	7,177,572	4,789,674
Assigned	-	-	-	-	-	1,026,106	1,462,004	1,118,949	131,230	41,842
Unassigned/Unreserved	15,081,463	15,404,897	16,509,423	17,358,472	8,245,195	12,755,793	8,619,655	6,784,338	7,895,100	6,875,429
Total General Fund	\$ 30,389,443	\$ 18,289,608	\$ 20,174,420	\$ 18,611,881	\$ 16,270,482	\$ 16,073,487	\$ 16,569,206	\$ 14,220,453	\$ 19,800,096	\$ 16,909,185
All Other Governmental Funds										
Restricted/Reserved	\$ 21,816,406	\$ 20,820,428	\$ 22,065,773	\$ 16,639,587	\$ 13,328,502	\$ 14,222,064	\$ 14,184,745	\$ 17,482,574	\$ 16,173,493	\$ 16,582,372
Committed	-	-	-	-	-	137,963	143,579	17,987	151,996	130,154
Unassigned/Unreserved	151,887	179,743	144,587	133,606	-	(55,925)	(1,255,208)	(4,065,293)	(4,408,588)	(5,012,977)
Total of All Other Governmental Funds	\$ 21,968,293	\$ 21,000,171	\$ 22,210,360	\$ 16,773,193	\$ 13,328,502	\$ 14,304,102	\$ 13,073,116	\$ 13,435,268	\$ 11,916,901	\$ 11,699,549

Source: Town of Erie Finance Department

⁽¹⁾In 2011 the Town implemented GASB 54 to reflect the new classifications of fund balance. Prior year amounts were not restated.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Taxes	\$ 6,843,336	\$ 7,764,266	\$ 7,990,415	\$ 7,671,152	\$ 8,273,559	\$ 8,368,768	\$ 8,955,918	\$ 9,817,296	\$ 10,622,469	\$ 12,075,737
Intergovernmental	699,263	703,632	745,587	919,987	918,999	1,037,646	1,109,725	1,124,346	1,465,446	1,647,060
Licenses and Permits	1,566,609	1,064,310	892,946	501,629	536,684	603,482	723,393	1,308,271	1,534,533	1,855,274
Charges for Services	476,211	723,226	2,560,440	2,213,269	2,504,617	2,581,391	2,878,907	3,403,217	3,620,969	3,930,007
Fines and Forfeitures	192,831	113,193	108,343	121,429	135,506	162,864	176,375	246,843	249,004	219,581
Capital Contributions and Fees	4,490,352	3,729,007	4,332,553	1,301,715	2,107,334	1,349,989	1,670,547	2,153,798	2,604,563	4,331,583
Investment Earnings	2,193,724	2,734,513	1,633,905	621,373	262,564	250,191	182,476	102,215	169,930	127,840
Miscellaneous	1,329,674	589,062	532,881	262,669	304,083	387,386	374,370	232,919	203,135	315,850
Total Revenues	17,792,000	17,421,209	18,797,070	13,613,223	15,043,346	14,741,717	16,071,711	18,388,905	20,468,949	24,502,932
Expenditures										
General Government	2,185,379	2,392,489	2,212,896	2,000,168	1,986,858	2,200,613	2,145,500	2,782,286	2,935,090	6,161,828
Public Safety	1,411,911	1,835,547	1,977,901	1,513,338	2,240,394	2,275,395	2,323,677	2,440,001	2,699,615	2,977,558
Public Works	1,267,684	1,525,403	1,694,973	2,035,519	1,582,570	1,719,095	1,833,074	3,790,678	3,973,497	2,793,781
Parks & Recreation	1,766,445	1,546,258	3,821,824	4,272,109	4,468,041	4,690,752	4,928,772	3,028,137	3,059,582	4,550,832
Capital Outlay	4,672,496	21,775,141	4,271,841	9,057,064	8,606,166	1,863,774	4,813,537	6,319,547	8,511,674	9,255,862
Debt Service										
Principal	205,000	340,000	800,000	845,000	880,000	915,000	950,000	1,800,062	1,125,320	1,177,108
Interest	133,055	1,230,056	922,632	889,731	857,444	820,681	782,756	673,681	683,515	748,037
Bond Issuance Costs	297,249	-	-	-	-	-	-	123,357	110,693	-
Total Expenditures	11,939,219	30,644,894	15,702,067	20,612,929	20,621,473	14,485,310	17,777,316	20,957,749	23,098,986	27,665,006
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,852,781	(13,223,685)	3,095,003	(6,999,706)	(5,578,127)	256,407	(1,705,605)	(2,568,844)	(2,630,037)	(3,162,074)
Other Financing Sources (Uses)										
Transfers In	85,000	698,300	104,939	98,200	109,400	131,200	457,800	4,965,891	1,803,700	2,390,626
Transfers Out	(85,000)	(698,300)	(104,939)	(98,200)	(129,213)	(152,747)	(477,887)	(4,984,028)	(2,031,857)	(2,399,975)
Debt Proceeds	20,206,989	-	-	-	-	-	695,000	9,985,460	6,508,716	-
Payment for Refunded Bonds	(2,991,338)	-	-	-	-	-	-	(9,571,113)	-	-
Proceeds from Sale of Capital Assets	-	155,730	-	-	19,085	113,351	3,085	14,523	7,580	42,014
Insurance Recoveries & Related	-	-	-	-	-	22,084	46,446	171,510	33,374	21,146
Proceeds from Litigation Settlements	-	-	-	-	41,331	-	-	-	370,000	-
Total Other Financing Sources (Uses)	17,215,651	155,730	-	-	40,603	113,888	724,444	582,243	6,691,313	53,811
Net Changes in Fund Balance	\$ 23,068,432	\$ (13,067,955)	\$ 3,095,003	\$ (6,999,706)	\$ (5,537,524)	\$ 370,295	\$ (981,161)	\$ (1,986,601)	\$ 4,061,276	\$ (3,108,263)
Debt Service as a Percentage of Noncapital Expenditures	4.65%	17.70%	15.07%	15.01%	14.46%	13.57%	13.16%	16.16%	11.77%	10.24%

Source: Town of Erie Finance Department

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

Year	Property Tax	Sales Tax	Use Tax	Franchise Tax	Specific Ownership Tax	Total
2006	\$ 1,628,286	\$ 2,466,173	\$ 2,153,162	\$ 456,110	\$ 139,605	\$ 6,843,336
2007 ⁽¹⁾	3,078,525	2,790,694	1,131,969	507,525	255,553	7,764,266
2008	3,556,517	2,624,783	935,125	589,062	284,928	7,990,415
2009	3,720,316	2,572,740	553,590	571,130	253,376	7,671,152
2010	3,947,570	2,842,974	577,210	684,352	221,453	8,273,559
2011	3,880,843	3,095,659	596,521	561,740	234,005	8,368,768
2012	3,962,431	3,318,242	778,195	638,792	258,258	8,955,918
2013	3,977,786	3,616,019	1,298,138	685,918	239,435	9,817,296
2014	3,993,379	4,027,197	1,606,448	708,894	286,551	10,622,469
2015 ⁽²⁾	4,316,592	4,457,099	2,305,363	717,589	279,094	12,075,737

Source: Town of Erie Finance Department

⁽¹⁾ In November 2005, voters approved a mill levy increase to construct the Erie Community Center. This change, which went into effect in 2007, added 7.320 mills to the Town's levy. For 2015 the levy was 5.198 mills.

⁽²⁾ 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.

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

Boulder County							
Year ⁽¹⁾	Residential	Commercial	Vacant		Less: Tax Exempt	Total Taxable	Total Taxable
	Property	Property	Land	Other	Real Property	Assessed Value	Actual Value
2006	\$ 66,653,030	\$ 6,259,170	\$ 7,285,150	\$ 5,583,390	\$ 4,391,300	\$ 81,389,440	\$ 886,434,700
2007	72,775,610	7,017,800	7,679,860	5,379,335	3,938,640	88,913,965	968,230,200
2008	74,938,760	7,064,260	6,745,400	5,105,190	3,929,800	89,923,810	991,915,800
2009	74,095,210	7,658,420	6,248,880	12,085,460	4,334,730	95,753,240	994,842,810
2010	74,805,120	7,568,860	5,440,850	12,778,926	4,847,360	95,746,396	1,001,879,430
2011	73,860,728	7,251,830	4,783,897	18,565,810	4,999,658	99,462,607	993,982,165
2012	75,143,537	7,367,407	3,721,512	15,228,537	5,170,320	96,290,673	1,003,587,145
2013	74,154,873	7,686,083	5,744,842	14,205,385	5,079,776	96,711,407	998,823,627
2014	77,114,109	7,766,827	6,742,267	15,712,692	5,103,216	102,232,679	1,041,775,470
2015	97,235,515	9,220,302	13,490,705	13,883,022	5,097,508	128,732,036	1,321,949,675

Weld County							
Year ⁽¹⁾	Residential	Commercial	Vacant		Less: Tax Exempt	Total Taxable	Total Taxable
	Property	Property	Land	Other	Real Property	Assessed Value	Actual Value
2006	\$ 63,060,810	\$ 7,447,830	\$ 6,873,180	\$ 11,529,760	\$ 4,941,450	\$ 83,970,130	\$ 854,945,317
2007	79,408,720	8,715,140	10,394,750	14,279,150	6,767,920	106,029,840	1,079,491,472
2008	86,117,660	11,917,150	8,805,060	22,293,620	9,331,410	119,802,080	1,179,147,606
2009	83,802,080	15,705,830	8,242,820	38,309,470	10,838,480	135,221,720	1,175,217,277
2010	85,974,780	16,846,260	6,993,710	26,916,450	8,507,750	128,223,450	1,191,937,810
2011	85,755,600	17,973,430	3,804,960	33,924,800	8,585,400	132,873,390	1,190,322,109
2012	87,078,530	17,404,680	3,815,130	48,243,410	18,250,220	138,291,530	1,213,972,885
2013	91,188,060	18,957,690	4,523,580	48,319,546	18,605,790	144,383,086	1,272,092,511
2014	94,959,160	18,416,740	4,236,270	45,016,450	18,783,500	143,845,120	1,314,773,449
2015	115,021,980	19,459,280	4,527,990	47,749,940	22,414,960	164,344,230	1,574,494,548

Boulder County and Weld County				
Year ⁽¹⁾	Grand Total	Grand Total	Assessed Value	Total
	Assessed Taxable Value	Actual Taxable Value	as a Percentage of Actual Value	Direct Tax Rate
2006	\$ 165,359,570	\$ 1,741,380,017	9.50%	11.288
2007	194,943,805	2,047,721,672	9.52%	18.608
2008	209,725,890	2,171,063,406	9.66%	18.282
2009	230,974,960	2,170,060,087	10.64%	17.775
2010	223,969,846	2,193,817,240	10.21%	17.198
2011	232,335,997	2,184,304,274	10.64%	17.376
2012	234,582,203	2,217,560,030	10.58%	17.146
2013	241,094,493	2,270,916,138	10.62%	17.095
2014	246,077,799	2,356,548,919	10.44%	16.567
2015	293,076,266	2,896,444,223	10.12%	17.364

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: 2015 taxes assessed will be collected in the 2016 calendar year.

**Town of Erie
Principal Property Taxpayers
December 31**

Taxpayer	Boulder County					
	2015			2006		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Public Service Co. of Colorado	3,455,376	1	2.68 %	\$ -	-	%
Encana Oil & Gas (USA) Inc.	2,882,094	2	2.24	-	-	-
Meritage Homes of Colorado Inc.	2,869,440	4	2.23	-	-	-
Arapahoe Ridge Retail Center LLC	2,721,464	3	2.11	-	-	-
JMJC Eleven LLC	2,092,732	8	1.63	-	-	-
Bayou Development Corp.	1,783,159	9	1.39	-	-	-
Lennar Colorado LLC	1,621,496	5	1.26	-	-	-
Melody Homes Inc.	1,206,008	6	0.94	-	-	-
Standard Pacific of Colorado Inc.	1,189,928	7	0.92	-	-	-
Ochsner Legacy Trust	1,100,490	10	0.85	-	-	-
Becky Family Investment Co. LLLP	-	-	-	2,272,440	1	2.98
Richmond American Homes of Colorado	-	-	-	1,274,880	2	1.67
Westpac Realty Fund II LLC	-	-	-	739,590	3	0.97
John & Rosemarie Zahn	-	-	-	604,250	4	0.79
Safeway Inc.	-	-	-	512,550	5	0.67
Boulder Valley Investment LLC	-	-	-	511,730	6	0.67
Richard E. & Deborah L. Oliver	-	-	-	361,480	7	0.47
Creekside SF LLC	-	-	-	296,100	8	0.39
77 Erie Village Square LLP	-	-	-	294,240	9	0.39
US Bank National Association	-	-	-	247,320	10	0.32
	<u>\$ 20,922,187</u>		<u>16.25 %</u>	<u>\$ 7,114,580</u>		<u>9.33 %</u>

Taxpayer	Weld County					
	2015			2006		
	Assessed Value	Rank	% of Total Assessed Value	Assessed Value	Rank	% of Total Assessed Value
Principal Taxpayers						
Encana Oil & Gas (USA) Inc.	\$ 9,304,010	1	5.66 %	\$ -	-	%
Kerr-Mcgee Oil & Gas Onshore LP	6,054,110	2	3.68	-	-	-
Kerr-Mcgee Gathering LLC	3,188,040	3	1.94	-	-	-
Synergy Resources Corp.	1,640,590	4	1.00	-	-	-
Waste Connections Inc.	1,560,510	5	0.95	-	-	-
Public Service CO of Colo (Xcel)	1,466,390	6	0.89	-	-	-
Colorado National Golf Club LLC	1,064,660	7	0.65	-	-	-
Erie Commons Commercial Partners LLC	1,062,990	8	0.65	-	-	-
Noble Energy Inc.	805,430	9	0.49	-	-	-
Family Investments LLC	689,450	10	0.42	-	-	-
D.R. Horton Inc.	-	-	-	1,230,190	1	1.81
WL Homes	-	-	-	888,910	2	1.31
Encana Oil & Gas (USA) Inc.	-	-	-	755,170	3	1.11
Comcast of Colorado LLC	-	-	-	746,460	4	1.10
Melody Homes	-	-	-	689,570	5	1.01
Bolder Enterprises LLLP	-	-	-	527,740	6	0.77
Kerr-McGee Rocky Mountain Corp.	-	-	-	479,130	7	0.70
Sprint Spectrum LP DBA Sprint PCS	-	-	-	401,410	8	0.59
Randall E. Davis (Trustee)	-	-	-	358,210	9	0.53
William H. Joyce Trust	-	-	-	358,210	10	0.53
	<u>\$ 26,836,180</u>		<u>16.33 %</u>	<u>\$ 6,435,000</u>		<u>9.45 %</u>

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

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

Boulder County									
Town of Erie									
Year	General Operating	General Obligation Bonds	Trails & Natural Areas	Total Direct	Boulder County	St. Vrain Valley School District	Boulder Valley School District	Mountain View Fire Protection District	Northern Colorado Water Conservation District
Rates (In mills) ⁽¹⁾									
2006	7.288	-	4.000	11.288	21.867	39.982	37.685	8.037	1.000
2007	7.288	7.320	4.000	18.608	22.467	38.035	39.564	8.137	1.000
2008	7.288	6.994	4.000	18.282	22.467	37.798	37.865	7.937	1.000
2009	7.288	6.487	4.000	17.775	23.067	46.285	39.113	11.747	1.000
2010	7.288	5.910	4.000	17.198	23.667	46.268	39.999	11.747	1.000
2011	7.288	6.088	4.000	17.376	24.645	46.837	43.838	11.747	1.000
2012	7.288	5.858	4.000	17.146	24.645	47.614	44.843	11.747	1.000
2013	7.288	5.807	4.000	17.095	24.645	53.500	45.547	11.747	1.000
2014	7.288	5.279	4.000	16.567	25.120	53.679	45.372	11.747	1.000
2015	7.288	6.076	4.000	17.364	24.794	53.673	47.569	11.747	1.000

Weld County									
Town of Erie									
Year	General Operating	Community Center Construction Bond	Trails & Natural Areas	Total Direct	Weld County	St. Vrain Valley School District	Mountain View Fire Protection District	Frederick Firestone Fire Protection District	Northern Colorado Water Conservation District
Rates (In mills) ⁽¹⁾									
2006	7.288	-	4.000	11.288	17.900	39.982	8.037	9.560	1.000
2007	7.288	7.320	4.000	18.608	16.804	38.035	8.137	13.360	1.000
2008	7.288	6.994	4.000	18.282	16.804	37.798	7.937	12.770	1.000
2009	7.288	6.487	4.000	17.775	16.804	46.285	11.747	12.526	1.000
2010	7.288	5.910	4.000	17.198	16.804	46.268	11.747	12.401	1.000
2011	7.288	6.088	4.000	17.376	16.804	46.837	11.747	12.441	1.000
2012	7.288	5.858	4.000	17.146	16.804	47.614	11.747	12.264	1.000
2013	7.288	5.807	4.000	17.095	16.804	53.500	11.747	12.197	1.000
2014	7.288	5.279	4.000	16.567	16.804	53.679	11.747	12.277	1.000
2015	7.288	6.076	4.000	17.364	15.800	53.673	11.747	12.250	1.000

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

⁽¹⁾ One mill generates \$1 of property tax revenue per \$1,000 of assessed valuation. Taxes for the year assessed are collected in the following year. For example: 2015 taxes assessed will be collected in the 2016 calendar year.

⁽²⁾ In November 2005, Boulder County residents voted to be included in the High Plains Library District.

⁽⁵⁾ Includes the following metro districts: Erie Farm, Flatiron Meadows and Rex Ranch.

⁽⁴⁾ In 2007, Tri-Area Ambulance Special District was dissolved.

⁽⁵⁾ Includes the following metro districts: Colliers Hill #'s 1-3; Erie Commons #2; Erie Corporate Center #'s 2-3; Erie Highlands #'s 1-5; Morgan Hill #'s 1-3; Redtail Ranch; Sunset Parks and Vista Ridge.

Urban Drainage & Flood District	Lafayette Rural Fire District	High Plains Library ⁽²⁾	Metro Districts ⁽³⁾	(Range) Total
0.532	2.500	-	-	71.372 - 82.706
0.542	2.500	3.261	-	84.442 - 93.579
0.507	2.500	3.253	-	82.374 - 91.311
0.528	2.500	3.260	-	83.743 - 103.662
0.508	2.500	3.255	-	84.627 - 103.643
0.523	2.500	3.281	-	89.663 - 105.409
0.566	2.500	3.271	50.000	90.471 - 153.218
0.599	2.500	3.261	45.000 - 50.000	91.147 - 153.894
0.608	2.500	3.264	50.000	90.931 - 153.678
0.632	2.500	3.267	50.000	93.626 - 156.373

Tri-Area Ambulance Special District ⁽⁴⁾	High Plains Library	St. Vrain Sanitation District	Metro Districts ⁽⁵⁾	(Range) Total
3.250	3.281	3.918	11.000 - 54.332	80.488 - 135.820
-	3.261	3.321	11.000 - 59.246	84.845 - 145.091
-	3.253	2.686	14.000 - 57.827	84.074 - 142.901
-	3.260	0.806	17.140 - 57.827	95.871 - 154.698
-	3.255	0.737	18.000 - 57.827	95.272 - 154.099
-	3.281	0.745	18.000 - 57.827	96.045 - 154.872
-	3.271	0.720	20.000 - 57.827	96.582 - 155.409
-	3.261	0.682	20.000 - 57.827	102.407 - 161.234
-	3.264	0.680	20.000 - 57.827	102.061 - 160.888
-	3.267	0.685	20.000 - 57.827	101.851 - 172.851

**Town of Erie
Property Tax Levies and Collections
Last Ten Years**

Collection Year	Total Tax Levy ⁽¹⁾	Total Tax Collections ⁽²⁾	Collections As a Percent of Tax Levy
2006	\$ 1,629,486	\$ 1,628,286	99.93
2007 ⁽³⁾	3,077,011	3,078,525	100.05
2008	3,563,963	3,556,517	99.79
2009	3,727,878	3,720,316	99.80
2010	3,972,307	3,947,570	99.38
2011	3,891,700	3,880,843	99.72
2012	3,983,633	3,962,431	99.47
2013	4,010,183	3,977,786	99.19
2014	3,994,213	3,993,379	99.98
2015 ⁽⁴⁾	4,272,895	4,254,389	99.57

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: 2015 taxes assessed will be collected in the 2016 calendar year.
- ⁽²⁾ Excludes property taxes received by the Town of Erie Urban Renewal Authority.
- ⁽³⁾ In November 2005, voters approved a mill levy increase to construct the Erie Community Center. It went into effect in 2007, when the levy was 7.320 mills. In 2015 the levy was 5.198 mills.
- ⁽⁴⁾ 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.

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

<u>Year</u>	<u>Automotive</u>	<u>General</u>	<u>Use Tax ⁽¹⁾</u>	<u>Total Sales and Use Tax</u>	<u>Total Direct Tax Rate</u>
2006	\$ 1,116,128	\$ 1,350,045	\$ 2,153,162	\$ 4,619,335	3.50 %
2007	1,193,071	1,597,623	1,131,969	3,922,663	3.50
2008	1,079,982	1,544,801	935,125	3,559,908	3.50
2009	845,641	1,727,099	553,590	3,126,330	3.50
2010	1,105,114	1,737,860	577,210	3,420,184	3.50
2011	1,232,012	1,863,647	596,521	3,692,180	3.50
2012	1,350,525	1,967,717	778,195	4,096,437	3.50
2013	1,545,392	2,070,627	1,298,138	4,914,157	3.50
2014	1,776,046	2,251,151	1,606,448	5,633,645	3.50
2015	1,879,338	2,577,761	2,305,363	6,762,462	3.50

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

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

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

Boulder County											
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Metropolitan Sports Stadium District	Scientific and Cultural Facilities District	Boulder County	Total				
2006	3.50 %	2.90 %	1.00 %	0.10 %	0.10 %	0.65 %	8.25 %				
2007	3.50	2.90	1.00	0.10	0.10	0.65	8.25				
2008	3.50	2.90	1.00	0.10	0.10	0.65	8.25				
2009	3.50	2.90	1.00	0.10	0.10	0.65	8.25				
2010	3.50	2.90	1.00	0.10	0.10	0.65	8.25				
2011	3.50	2.90	1.00	0.10	0.10	0.80	8.40				
2012	3.50	2.90	1.00	-	(1)	0.10	8.30				
2013	3.50	2.90	1.00	-	0.10	0.80	8.30				
2014	3.50	2.90	1.00	-	0.10	0.80	8.30				
2015	3.50	2.90	1.00	-	0.10	0.80	8.30				

Weld County											
Year	Town of Erie	State of Colorado	Regional Transportation Authority	Metropolitan Sports Stadium District	Total						
2006	3.50 %	2.90 %	1.00 %	0.10 %	7.50 %						
2007	3.50	2.90	1.00	0.10	7.50						
2008	3.50	2.90	1.00	0.10	7.50						
2009	3.50	2.90	1.00	0.10	7.50						
2010	3.50	2.90	1.00	0.10	7.50						
2011	3.50	2.90	1.00	0.10	7.50						
2012	3.50	2.90	1.00	-	(1)	7.40					
2013	3.50	2.90	1.00	-	7.40						
2014	3.50	2.90	1.00	-	7.40						
2015	3.50	2.90	1.00	-	7.40						

Source: Town of Erie Finance Office
Colorado Department of Revenue

(1) The Metropolitan Sports Stadium District tax expired as of December 31, 2011.

**Town of Erie
Principal Sales Taxpayers
Last Ten Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Aggregate top ten filers ⁽¹⁾	\$ 820,681	\$ 731,869	\$ 876,757	\$ 857,218	\$ 1,009,572	\$ 942,292	\$ 994,891	\$ 1,096,938	\$ 1,137,611	\$ 1,217,909
Aggregate all other filers	1,645,492	2,058,825	1,748,026	1,715,522	1,833,402	2,153,367	2,323,351	2,519,081	2,889,586	3,239,190
Total sales tax	\$ 2,466,173	\$ 2,790,694	\$ 2,624,783	\$ 2,572,740	\$ 2,842,974	\$ 3,095,659	\$ 3,318,242	\$ 3,616,019	\$ 4,027,197	\$ 4,457,099

Top ten filers as a percentage of total tax 33.3% 26.2% 33.4% 33.3% 35.5% 30.4% 30.0% 30.3% 28.2% 27.3%

Source: Colorado Department of Revenue

⁽¹⁾Colorado State Statutes prohibit disclosure of individual sales and use tax returns, therefore the current year top ten filers in alphabetical order are as follows:
7-Eleven 34168A, County Line Wine & Spirits, Lazy Dog Erie, LLC, Ridge Liquor/Erie Liquors, Martin Marietta, Safeway, Starbucks Coffee #13426, Stop'n Save, Verizon Wireless LLC, and Walgreens #12864.

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

Fiscal Year	Governmental Activities			Business-type Activities				Total Primary Government	Percentage of Personal Income ⁽⁴⁾	Per Capita
	Obligation	Capital Leases	Revenue Bonds/Loans ⁽¹⁾	Certificates of Participation		Capital Leases ⁽²⁾	Mortgages & Other Loans Payable ⁽³⁾			
				Bonds	Leases					
2006	\$20,211,095	\$ -	\$ 29,555,772	\$ 31,550,000	\$ -	\$ 888,368	\$ 82,205,235	10.35%	\$ 5,067	
2007	19,871,095	-	42,586,922	31,045,000	2,782,988	868,703	97,154,708	10.89%	5,446	
2008	19,071,095	-	50,086,305	30,515,000	2,712,249	856,327	103,240,976	10.99%	5,572	
2009	18,235,000	-	61,988,088	29,955,000	2,648,691	838,939	113,665,718	12.37%	6,046	
2010	17,623,254	-	60,542,625	29,522,550	2,582,378	819,154	111,089,961	11.55%	5,777	
2011	16,692,986	-	58,734,280	29,026,374	2,513,192	803,667	107,770,499	10.60%	5,498	
2012	15,727,719	-	56,086,691	28,465,197	2,441,007	781,683	103,502,297	9.50%	5,175	
2013	15,923,684	250,790	54,983,075	28,295,000	-	758,942	100,211,491	8.48%	4,661	
2014	21,249,523	195,470	54,126,668	25,105,000	-	745,832	101,422,493	7.86%	4,610	
2015	20,010,049	138,363	51,331,253	25,768,158	-	735,843	97,983,666	N/A	4,260	

Sources: Bureau of Economic Analysis

U.S. Census Bureau

Town of Erie Finance Department

Town of Erie Community Development Department

⁽¹⁾ Includes revenue bonds and loans from the Colorado Water Resources and Power Development Authority.

⁽²⁾ In 2011 and 2012, prior period adjustments were recorded to reflect capital leases arising in 2007.

⁽³⁾ In 2006, a prior period adjustment to reflect a forgivable loan of \$60,000 was recorded.

⁽⁴⁾ 2015 personal income data not yet available.

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

Year	Population	Estimated Actual Taxable Value	General Bonded Debt ⁽¹⁾	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2006	16,225	\$ 1,741,380,017	\$ 20,211,095	1.16	\$ 1,246
2007	17,840	2,047,721,672	19,871,095	0.97	1,114
2008	18,530	2,171,063,406	19,071,095	0.88	1,029
2009	18,800	2,170,060,087	18,235,000	0.84	970
2010	19,230	2,193,817,240	17,623,254	0.80	916
2011	19,600	2,184,304,274	16,692,986	0.76	852
2012	20,000	2,217,560,030	15,727,719	0.71	786
2013	21,500	2,270,916,138	15,923,684	0.70	741
2014	22,000	2,356,548,919	21,249,523	0.90	966
2015	23,000	2,896,444,223	20,010,049	0.69	870

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

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

Town of Erie
Direct and Overlapping General Bonded Debt
As of December 31, 2015

	Outstanding General Bonded Debt	Percentage Applicable to the Town⁽²⁾	Share of Debt Applicable to the Town
Direct Debt			
Town of Erie	\$ 20,148,412	100 %	\$ 20,148,412
Overlapping Debt ⁽¹⁾			
Boulder Valley School District	560,290,000	1	5,602,900
Erie Highlands Metro District #1	9,156,000	100	9,156,000
Frederick-Firestone Fire Protection District	1,975,000	1	19,750
Northern Colorado Water Conservation District	4,124,069	2	82,481
St. Vrain Valley School District	376,575,000	5	18,828,750
Vista Ridge Metropolitan District	36,915,000	100	36,915,000
Total Overlapping Debt	989,035,069		70,604,881
Total Direct and Overlapping General Bonded Debt	\$ 1,009,183,481		\$ 90,753,293

Source: Provided by each government entity

⁽¹⁾The following governments had no outstanding general bonded debt as of December 31, 2015:

Boulder County, Weld County, Left Hand Water District, Boulder Valley Conservation Soil District, Tri-Area Ambulance Special District, High Plains Library District, Urban Drainage & Flood District, Lafayette Rural Fire District, Erie Commons Metro District #'s 1 and 2, Erie Corporate Center Metro District #2, Erie Corporate Center Metro District #3, Mountain View Fire Protection District, Bridgewater Metro District #'s 1, 2 and 3, St. Vrain Sanitation District, Sunset Parks Metro District, Regional Transportation District, Longmont Conservation, Morgan Hill Metro District #'s 1, 2 and 3, Brownsville Water & Sanitation District, Erie Farm Metro District, Flatirons Meadows Metro District and Ridge Lands Metro District.

⁽²⁾Town assessed valuation as a percentage of the total assessed valuation of the overlapping government.

Town of Erie
 Legal Debt Margin Information
 Last Ten Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$ 44,801,720	\$ 53,206,834	\$ 61,243,273	\$ 64,712,508	\$ 66,674,109	\$ 67,199,962	\$ 66,938,782	\$ 68,952,454	\$ 73,170,157	\$ 89,743,263
Less: Net Debt Applicable to Limit	20,211,095	19,871,095	19,071,095	18,235,000	17,355,000	16,440,000	15,490,000	14,625,000	19,755,000	18,635,000
Legal Debt Margin	\$ 24,590,625	\$ 33,335,739	\$ 42,172,178	\$ 46,477,508	\$ 49,319,109	\$ 50,759,962	\$ 51,448,782	\$ 54,327,454	\$ 53,415,157	\$ 71,108,263

Total Net Debt Applicable to the Limit
 as a Percentage of Debt Limit

	45.11%	37.55%	31.14%	28.18%	26.03%	24.46%	23.14%	21.21%	27.00%	20.76%
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Legal Debt Margin Calculation for Fiscal Year 2015

Actual Valuation	
Boulder County	\$ 1,339,535,581
Weld County	1,651,906,519
Total Actual Valuation	\$ 2,991,442,100
Legal Debt Margin	
Debt Limitation:	
3 Percent of Total Assessed Valuation	\$ 89,743,263
Debt Applicable to Limitation:	
Outstanding Balance of General	
Obligation Bonds	18,635,000
Legal Debt Margin	\$ 71,108,263

Source: Town of Erie Finance Department

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

Year	Gross Revenues ⁽¹⁾	Operating Expenses ⁽²⁾	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2006	\$ 13,640,867	\$ 2,717,169	\$ 10,923,698	\$ 1,034,000	\$ 1,268,403	\$ 2,302,403	4.74 x
2007	10,759,055	2,742,213	8,016,842	1,074,000	1,455,127	2,529,127	3.17 x
2008	10,410,225	2,374,240	8,035,985	1,129,000	1,861,680	2,990,680	2.69 x
2009	7,724,936	2,683,025	5,041,911	1,175,000	1,790,873	2,965,873	1.70 x
2010	8,315,995	2,655,958	5,660,037	1,260,000	1,236,523	2,496,523	2.27 x
2011	8,857,658	2,746,833	6,110,825	676,000	1,100,016	1,776,016	3.44 x
2012	10,438,223	3,012,737	7,425,486	1,453,045	1,383,950	2,836,995	2.62 x
2013	12,674,206	3,191,385	9,482,821	1,465,000	1,370,029	2,835,029	3.34 x
2014	14,265,470	4,090,660	10,174,810	1,500,000	1,334,204	2,834,204	3.59 x
2015	16,227,389	3,755,288	12,472,101	1,560,000	1,272,904	2,832,904	4.40 x

Source: Town of Erie Finance Department

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

⁽²⁾Operating expenses excludes depreciation.

**Town of Erie
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	
2006	\$ 3,450,476	\$ 1,226,783	\$ 2,223,693	\$ 183,596	\$ 147,430	\$ 331,026	6.72 x
2007	3,346,984	1,213,319	2,133,665	189,648	139,671	329,319	6.48 x
2008	3,552,108	1,408,979	2,143,129	201,090	133,634	334,724	6.40 x
2009	3,085,121	1,410,234	1,674,887	357,240	502,102	859,342	1.95 x
2010	3,408,358	1,462,235	1,946,123	460,178	1,018,239	1,478,417	1.32 x
2011	3,625,497	1,672,930	1,952,567	558,773	1,019,333	1,578,106	1.24 x
2012	4,332,892	1,985,483	2,347,409	563,209	998,926	1,562,135	1.50 x
2013	5,477,482	2,170,910	3,306,572	560,696	973,337	1,534,033	2.16 x
2014	5,827,861	2,488,132	3,339,729	578,224	952,155	1,530,379	2.18 x
2015	6,710,717	2,557,448	4,153,269	600,491	934,736	1,535,227	2.71 x

Source: Town of Erie Finance Department

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

⁽²⁾Operating expenses excludes depreciation.

**Town of Erie
Demographic and Economic Statistics
Last Ten Fiscal Years**

Year	Population ⁽¹⁾	Personal	Per Capita	Median	School	Unemployment
		Income ⁽²⁾ (in thousands)	Income ⁽²⁾	Age ⁽¹⁾	Enrollment ⁽³⁾	Rate ⁽⁴⁾
2006	16,225	\$ 794,279	\$ 48,954	35.5	1,677	3.7
2007	17,840	891,982	49,999	35.8	1,883	3.3
2008	18,530	939,730	50,714	36.0	3,078	4.1
2009	18,800	919,151	48,891	36.3	3,535	6.8
2010	19,230	962,096	50,031	35.8	3,661	6.9
2011	19,600	1,017,103	51,893	36.2	3,872	6.3
2012	20,000	1,090,040	54,502	36.4	4,104	5.9
2013	21,500	1,181,812	54,968	35.2	4,431	5.2
2014	22,000	1,289,794	58,627	36.9	4,732	3.7
2015	23,000	-	-	36.0	5,113	2.6

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
Colorado State of Labor
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. 2015 data not yet available.

⁽³⁾ Erie students attend schools in two districts. Data presented includes enrollment in St. Vrain Valley School District for all periods and since 2008 for Boulder Valley School District.

⁽⁴⁾ Source - Colorado Department of Labor and Employment for Boulder County.

**Town of Erie
Principal Employers
Current Year and Ten Years Ago**

<u>Employer</u>	<u>2015</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>
			<u>Total Town</u>
			<u>Employment</u>
St. Vrain Valley School District	309	1	9.36 %
Town of Erie	249	2	7.55
Safeway	68	3	2.06
Colorado National Golf Club	51	4	1.55
Lazy Dog	48	5	1.45
Magnum Plastics	44	6	1.33
Primrose	42	7	1.27
CML RW	41	8	1.24
Aspen Ridge Prep School	34	9	1.03
Air Mechanical	24	10	0.73
Total	<u>910</u>		<u>27.57 %</u>

	<u>2006</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of</u>
			<u>Total Town</u>
			<u>Employment</u>
Safeway	130	1	6.50 %
Town of Erie	80	2	4.00
Erie Elementary	46	3	2.30
Erie Middle/Senior High	45	4	2.25
Vista Ridge	25	5	1.25
Great American Tire	20	6	1.00
County Line Lumber	14	7	0.70
Ehrhart Griffin & Associates	14	7	0.70
Forever Young	13	9	0.65
Erie Pre-Cast Concrete	12	10	0.60
	<u>399</u>		<u>19.95 %</u>

Source: Erie Chamber of Commerce & Town of Erie Economic Development

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government	15.9	16.3	14.4	13.2	13.2	13.2	14.2	15.2	17.6	18.6
Parks & Recreation										
Parks	11.0	11.0	11.0	11.0	14.0	16.5	16.5	17.0	18.0	18.3
Recreation ⁽¹⁾	4.7	50.5	50.5	51.1	51.1	52.5	53.1	57.3	54.0	56.0
Public Safety										
Police	22.7	22.7	22.7	23.8	24.8	25.0	25.0	27.0	24.4	27.4
Public Works	8.8	7.8	8.1	8.1	8.1	8.1	8.3	8.8	11.8	12.1
Water	16.5	17.1	17.1	17.1	17.1	17.1	17.4	19.2	20.5	20.7
Wastewater	12.5	13.0	13.1	13.1	13.1	14.1	15.4	16.1	17.5	17.7
Storm Drainage	1.3	1.3	1.3	1.3	1.3	1.3	1.5	1.5	1.9	1.9
Airport	1.0	-	-	-	-	-	-	-	-	-
Total	94.4	139.7	138.2	138.7	142.7	147.8	151.4	162.1	165.7	172.7

Source: Town of Erie Finance Department

⁽¹⁾During 2007, the Town increased its recreation staff for the opening and operation of the Erie Community Center.

**Town of Erie
Operating Indicators by Function
Last Ten Fiscal Years**

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Parks										
Total Acres of Parks Maintained	87	73	87	91	148	148	149	149	136	136
Total Acres of Open Space Maintained	169	259	204	204	272	272	607	607	1,075	1,075
Recreation										
Participation in Recreation Activities	1,470	1,558	5,248	5,512	40,862	70,250	67,815	70,262	68,975	64,038
Participation in Sports	1,267	1,347	1,737	2,161	3,303	4,782	6,375	6,954	4,988	5,725
Participation in Senior Activities	1,029	849	2,572	5,459	3,667	5,779	14,136	17,211	16,086	30,402
Senior Lunches	2,082	1,833	2,742	2,059	2,636	2,677	2,364	2,383	1,770	2,510
Police										
Traffic Violations	987	838	823	840	1,021	1,091	1,138	1,573	1,255	1,420
Criminal Violations	828	323	318	173	158	247	239	263	275	385
Water										
Number of Service Connections	5,787	6,030	6,228	6,383	6,503	6,546	6,765	6,990	7,195	7,561
Average Daily Flow (million gallons per day)	2.60	2.50	2.57	2.36	2.530	2.64	2.94	2.64	2.63	2.75
Wastewater										
Number of Service Connections	5,551	5,789	5,982	6,106	6,216	6,298	6,491	6,716	6,912	7,242
Average Daily Flows (million gallons per day)	0.840	0.964	0.930	0.964	1.007	1.070	1.090	1.216	1.190	1.190

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

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

Function	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Parks and Recreation										
Community Center ⁽¹⁾	-	1	1	1	1	1	1	1	1	1
Parks	8	8	7	10	10	10	10	10	10	10
Park Acreage	72	81	81	81	136	136	136	136	136	136
Public Safety										
Police:										
Stations	1	1	1	1	1	1	1	1	1	1
Patrol Units	7	8	8	8	8	8	8	8	9	9
Public Works										
Streets (miles)	119.0	105.1	112.3	132.0	130.0	121.0	122.4	134.0	134.0	134.0
Water										
Water Mains (miles)	88.0	110.0	110.0	111.0	111.0	125.5	132.7	132.7	137.0	149.5
Maximum Daily Capacity (million gallons per day)	12.0	7.3	12.2	12.2	12.2	12.2	12.2	12.2	12.2	12.2
Wastewater										
Sanitary Sewers (miles)	65.0	93.4	93.4	94.0	94.0	87.7	89.7	90.9	94.0	100.8
Maximum Daily Capacity (million gallons per day)	1.2	1.2	1.2	1.8	1.8	2.7	2.7	2.7	2.7	2.7
Storm Drainage										
Storm Sewers (miles)	(2)	(2)	32.5	34.0	34.0	40.1	40.1	39.9	44.0	49.7
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

⁽¹⁾Erie Community Center opened December 31, 2007.

⁽²⁾Information not available.

**Town of Erie
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
2006	\$ 49,034,286	\$ 1,342,384,348	\$ 1,391,418,634	6	\$ 2,878,000	612	\$ 116,554,370
2007	47,264,926	1,629,471,893	1,676,736,819	11	26,601,742	249	59,080,987
2008	54,251,411	1,911,752,066	1,966,003,477	11	9,474,077	168	38,336,671
2009	65,454,367	2,027,025,769	2,092,480,136	4	47,815,240	103	24,684,218
2010	80,565,996	1,983,526,184	2,064,092,180	3	14,093,550	119	25,714,523
2011	84,189,472	2,019,788,333	2,103,977,805	2	1,988,216	108	27,681,427
2012	86,983,585	2,005,135,153	2,092,118,738	5	3,860,578	150	36,498,702
2013	85,420,889	2,037,869,085	2,123,289,974	2	8,414,892	249	63,529,916
2014	91,875,014	2,077,190,454	2,169,065,468	7	14,437,901	291	81,564,843
2015	90,288,387	2,161,739,601	2,252,027,988	4	3,141,720	427	118,590,894

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

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Compliance Section

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Water Enterprise Fund Continuing Disclosures:

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

	2011	2012	2013	2014	2015
Gross Revenues					
Charges for services	\$ 6,321,368	\$ 7,104,638	\$ 6,393,236	\$ 6,514,590	\$ 7,131,476
Tap fees	2,404,432	3,212,714	6,001,910	7,244,159	11,027,144
Interest income	68,418	62,457	43,001	62,563	69,333
Other income	63,440	58,414	236,059	444,158	(2,000,564)
Total Gross Revenues	8,857,658	10,438,223	12,674,206	14,265,470	16,227,389
Operation and Maintenance Expenses (1)	<u>2,746,833</u>	<u>3,012,737</u>	<u>3,191,385</u>	<u>4,090,660</u>	<u>3,755,288</u>
Net Revenues	<u>\$ 6,110,825</u>	<u>\$ 7,425,486</u>	<u>\$ 9,482,821</u>	<u>\$ 10,174,810</u>	<u>\$ 12,472,101</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 2,747,156	\$ 2,747,156	\$ 2,747,156	\$ 2,747,156	\$ 2,747,156
Pro-Forma Coverage Ratio	2.22x	2.7x	3.45x	3.7x	4.54x
Current year debt service					\$ 2,832,904
Coverage Ratio - current year					4.4x
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 Water Connection Fees

Year	Residential Taps Sold	Residential Tap Fees	Commercial Taps Sold	Commercial Tap Fees	Total Taps Sold	Total Tap Fees
2011	108	\$ 2,249,349	2	\$ 155,083	110	\$ 2,404,432
2012	147	3,147,149	1	65,565	148	3,212,714
2013	248	5,983,209	1	18,701	249	6,001,910
2014	291	6,948,481	5	295,678	296	7,244,159
2015	422	10,823,895	2	203,249	424	11,027,144

Note - Residential includes irrigation taps.

History of Water Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Irrigation Accounts</u>	<u>Total Accounts</u>
2011	6,329	101	116	6,546
2012	6,542	117	106	6,765
2013	6,757	123	110	6,990
2014	6,944	120	131	7,195
2015	7,249	120	123	7,492

Largest Customers of the System

<u>Type of Business</u>	<u>2015 Revenue</u>	<u>% of Total (1)</u>
School District	\$ 157,102	2.20%
Homeowner's Association	128,234	1.80%
The Town	90,931	1.28%
Homeowner's Association	69,990	0.98%
Construction Company	65,034	0.91%
Homeowner's Association	58,302	0.82%
Homeowner's Association	49,770	0.70%
Homeowner's Association	38,035	0.53%
Homeowner's Association	36,137	0.51%
Homeowner's Association	<u>33,486</u>	<u>0.47%</u>
Total	<u>\$ 727,021</u>	<u>10.19%</u>

(1) Based on total charges for service of \$7,131,476.

Budget Summary and Comparison - Water Fund

	2014 Final Budget	2014 Actual	2015 Final Budget	2015 Actual
Beginning Working Capital	\$ 10,791,543	\$ 10,791,543	\$ 11,320,896	\$ 11,320,896
Revenues				
Charges for services	6,475,700	6,514,590	6,890,000	7,131,476
Tap fees	6,740,500	7,244,159	10,794,400	11,027,144
Interest income	4,300	62,563	25,000	69,333
Other income	453,900	444,158	25,000	33,498
Total revenues	<u>13,674,400</u>	<u>14,265,470</u>	<u>17,734,400</u>	<u>18,261,451</u>
Total funds available	<u>24,465,943</u>	<u>25,057,013</u>	<u>29,055,296</u>	<u>29,582,347</u>
Operating Expenses				
Administration	2,277,600	2,021,327	2,628,400	2,087,141
Distribution	236,600	162,595	238,500	242,486
Treatment	1,411,500	1,045,935	1,415,300	1,045,109
Meters	157,300	143,371	161,000	148,723
Debt service (1)	32,414,800	32,368,087	17,694,800	17,918,196
Capital outlay	10,783,300	6,025,884	10,814,100	3,395,747
Total operating expenses	<u>47,281,100</u>	<u>41,767,199</u>	<u>32,952,100</u>	<u>24,837,402</u>
Other Financing Sources				
Proceeds from Debt Issuance (1)	<u>27,970,000</u>	<u>26,522,208</u>	<u>13,176,000</u>	<u>13,410,812</u>
Total other financing sources	<u>27,970,000</u>	<u>26,522,208</u>	<u>13,176,000</u>	<u>13,410,812</u>
Other changes in working capital	<u>-</u>	<u>1,508,874</u>	<u>-</u>	<u>(18,141)</u>
Net change in working capital	<u>(5,636,700)</u>	<u>529,353</u>	<u>(2,041,700)</u>	<u>6,816,720</u>
Ending Working Capital	<u>\$ 5,154,843</u>	<u>\$ 11,320,896</u>	<u>\$ 9,279,196</u>	<u>\$ 18,137,616</u>

(1) 2014 includes \$27,670,000 for refunding of the 2010 COP's, plus approximately \$300,000 in related issuance costs. 2015 includes \$13,258,000 for refunding of a portion of the 2007A Revenue and 2007B Revenue Refunding Bonds, plus approximately \$229,000 in related issuance costs.

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

	Year Ended December 31,				
	2011	2012	2013	2014	2015
Operating Revenues					
Charges for services	\$ 6,321,368	\$ 7,104,638	\$ 6,393,236	\$ 6,514,590	\$ 7,131,476
Operating Expenses					
Personnel services	1,212,449	1,185,324	1,367,069	1,523,281	1,641,891
Operations and maintenance	1,534,384	1,827,413	1,824,316	2,567,379	2,113,397
Depreciation	1,966,472	2,275,380	2,669,956	2,508,658	2,626,283
Total Operating Expenses	4,713,305	5,288,117	5,861,341	6,599,318	6,381,571
Net Operating Income (Loss)	1,608,063	1,816,521	531,895	(84,728)	749,905
Nonoperating Revenues (Expenses)					
Interest income	68,418	62,457	43,001	62,563	69,333
Other, net (1)	63,440	7,139	236,059	59,060	(2,013,951)
Interest expense (2)	(2,454,169)	(2,378,616)	(2,219,004)	(2,389,405)	(2,443,958)
Total Nonoperating Expenses, net	(2,322,311)	(2,309,020)	(1,939,944)	(2,267,782)	(4,388,576)
Loss before Contributions	(714,248)	(492,499)	(1,408,049)	(2,352,510)	(3,638,671)
Capital contributions	2,404,432	3,263,989	6,001,910	7,629,257	11,040,531
Change in Net Position	1,690,184	2,771,490	4,593,861	5,276,747	7,401,860
Total Net Position - Beginning	103,478,543	100,672,837	102,224,496	106,253,567	111,530,314
Prior Period Adjustments (3) (4)	(4,495,890)	(1,219,831)	(564,790)	-	-
Total Net Position - Ending	<u>\$ 100,672,837</u>	<u>\$ 102,224,496</u>	<u>\$ 106,253,567</u>	<u>\$ 111,530,314</u>	<u>\$ 118,932,174</u>

(1) Reflects write-off in the amount of \$2,040,419 representing write-off of the book value of a reservoir no longer in use.

(2) Includes debt issuance costs of \$255,113 in 2014 and \$195,510 in 2015.

(3) In 2011 and 2012 various prior period adjustments were recorded, primarily related to the carrying value of capital assets, bond-related deferrals and liability for compensated absences.

(4) The 2013 prior period adjustment reflects implementation of GASB 65, resulting in the expensing of certain bond issuance costs that were previously capitalized and amortized over the life of the related debt.

Wastewater Enterprise Fund Continuing Disclosures:

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

	2011	2012	2013	2014	2015
Gross Revenues					
Charges for services	\$ 3,112,916	\$ 3,535,547	\$ 4,141,562	\$ 4,267,375	\$ 4,143,696
Tap fees	465,620	635,210	1,079,650	1,289,860	2,241,200
Interest income	33,632	51,783	35,268	64,116	53,377
Other	13,329	110,352	221,002	206,510	272,444
Total Gross Revenues	3,625,497	4,332,892	5,477,482	5,827,861	6,710,717
Operation and Maintenance Expenses (1)	<u>1,672,930</u>	<u>1,985,483</u>	<u>2,170,910</u>	<u>2,488,132</u>	<u>2,557,448</u>
Net Revenues	<u>\$ 1,952,567</u>	<u>\$ 2,347,409</u>	<u>\$ 3,306,572</u>	<u>\$ 3,339,729</u>	<u>\$ 4,153,269</u>
Combined Maximum Annual Principal and Interest Requirements	\$ 1,598,350	\$ 1,598,350	\$ 1,598,350	\$ 1,598,350	\$ 1,598,350
Pro-Forma Coverage Ratio	1.22x	1.47x	2.07x	2.09x	2.60x
Current year debt service					\$ 1,535,227
Coverage Ratio - current year					2.71x
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	Residential Tap Fees	Commercial Taps Sold	Commercial Tap Fees	Total Taps Sold	Total Tap Fees
2011	108	\$ 447,030	2	\$ 18,590	110	\$ 465,620
2012	147	630,920	1	4,290	148	635,210
2013	248	1,065,350	1	14,300	249	1,079,650
2014	291	1,221,220	5	68,640	296	1,289,860
2015	422	2,192,667	2	48,533	424	2,241,200

History of Wastewater Accounts

<u>Year</u>	<u>Residential Accounts</u>	<u>Commercial Accounts</u>	<u>Total Accounts</u>	<u>% Change in Accounts</u>
2011	6,196	102	6,298	
2012	6,390	101	6,491	3.1%
2013	6,609	107	6,716	3.5%
2014	6,802	110	6,912	2.9%
2015	7,108	110	7,218	4.4%

History of Operating Revenues by Category

<u>Year</u>	<u>Residential Revenues</u>	<u>Commercial Revenues</u>	<u>Total Revenues</u>	<u>% Change in Revenues</u>
2011	\$ 2,893,319	\$ 219,597	\$ 3,112,916	
2012	3,299,970	235,577	3,535,547	13.6%
2013	3,906,468	235,094	4,141,562	17.1%
2014	4,026,327	241,048	4,267,375	3.0%
2015	3,947,626	196,070	4,143,696	-2.9%

Largest Customers of the System

<u>Type of Business</u>	<u>2015 Revenue</u>	<u>% of Total (1)</u>
Homeowner's Association	\$ 33,992	0.82%
Homeowner's Association	21,740	0.52%
Homeowner's Association	16,838	0.41%
The Town	16,362	0.39%
Retail Grocer	14,300	0.35%
Homeowner's Association	13,806	0.33%
Homeowner's Association	13,160	0.32%
Light Manufacturing	11,986	0.29%
School District	10,874	0.26%
Homeowner's Association	10,815	0.26%
Total	<u>\$ 163,873</u>	<u>3.95%</u>

(1) Based on total charges for service of \$4,143,696.

Budget Summary and Comparison - Wastewater Fund

	2014 Final Budget	2014 Actual	2015 Final Budget	2015 Actual
Beginning Working Capital	\$ 8,702,544	\$ 8,702,544	\$ 10,357,297	\$ 10,357,297
Revenues				
Charges for services	4,225,000	4,267,375	4,140,000	4,143,696
Tap fees	1,309,900	1,289,860	2,140,600	2,241,200
Interest income	9,200	64,116	20,000	53,377
Other income	150,800	206,510	268,000	272,445
Total revenues	<u>5,694,900</u>	<u>5,827,861</u>	<u>6,568,600</u>	<u>6,710,718</u>
Total funds available	<u>14,397,444</u>	<u>14,530,405</u>	<u>16,925,897</u>	<u>17,068,015</u>
Operating Expenses				
Administration	1,114,100	1,020,772	1,235,100	1,150,486
Collection	248,800	186,873	163,200	139,671
Treatment	1,462,800	1,141,245	1,527,900	1,238,766
Debt service	1,534,600	1,531,479	1,538,400	1,535,268
Capital outlay	2,435,100	151,904	6,789,000	416,663
Total operating expenses	<u>6,795,400</u>	<u>4,032,273</u>	<u>11,253,600</u>	<u>4,480,854</u>
Other changes in working capital	<u>-</u>	<u>(140,835)</u>	<u>-</u>	<u>(31,135)</u>
Net change in working capital	<u>(1,100,500)</u>	<u>1,654,753</u>	<u>(4,685,000)</u>	<u>2,198,729</u>
Ending Working Capital	<u>\$ 7,602,044</u>	<u>\$ 10,357,297</u>	<u>\$ 5,672,297</u>	<u>\$ 12,556,026</u>

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

	Year Ended December 31,				
	2011	2012	2013	2014	2015
Operating Revenues					
Charges for services	\$ 3,112,916	\$ 3,535,547	\$ 4,141,562	\$ 4,267,375	\$ 4,143,696
Operating Expenses					
Personnel services	983,824	999,070	1,213,708	1,335,957	1,438,353
Operations and maintenance	689,106	986,413	957,202	1,152,175	1,119,095
Depreciation	1,168,553	1,541,441	1,543,684	1,546,140	1,447,349
Total Operating Expenses	2,841,483	3,526,924	3,714,594	4,034,272	4,004,797
Net Operating Income	271,433	8,623	426,968	233,103	138,899
Nonoperating Revenues (Expenses)					
Interest income	33,632	51,783	35,268	64,116	53,377
Other, net (1)	13,329	1,750	(97)	-	(5,611,491)
Interest expense	(1,032,836)	(1,011,369)	(962,246)	(946,136)	(924,719)
Total Nonoperating Expenses, net	(985,875)	(957,836)	(927,075)	(882,020)	(6,482,833)
Loss before Contributions	(714,442)	(949,213)	(500,107)	(648,917)	(6,343,934)
Capital contributions	465,620	743,812	1,300,749	1,496,370	2,500,734
Change in Net Position (1)	(248,822)	(205,401)	800,642	847,453	(3,843,200)
Total Net Position - Beginning	39,562,430	39,286,142	40,640,401	41,198,092	42,045,545
Prior Period Adjustments (2) (3)	(27,466)	1,559,660	(242,951)	-	-
Total Net Position - Ending	\$ 39,286,142	\$ 40,640,401	\$ 41,198,092	\$ 42,045,545	\$ 38,202,345

- (1) Reflects write-off in the amount of \$5,624,401 representing the net book value of the South Water Reclamation Facility, originally constructed in 1999. This plant was idled in 2011 after construction of the North Water Reclamation Facility. While future possible uses for this facility are ongoing, due to the uncertainties about how this plant will be used, or if it will be used, management decided to write off the remaining book value of the plant.
- (2) In 2011 and 2012 various prior period adjustments were recorded, primarily related to the carrying value of capital assets, bond-related deferrals and liability for compensated absences.
- (3) The 2013 prior period adjustment reflects implementation of GASB 65, resulting in the expensing of certain bond issuance costs that were previously capitalized and amortized over the life of the related debt.

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Town of Erie			
		YEAR ENDING: December 2015			
This Information From The Records Of (example - City of _ or County of _): Town of Erie		Prepared By: Steve Felten Phone: 303-926-2751			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway disbursements:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,581,922		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	913,781		
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	0	b. Snow and ice removal			
3. Other local imposts (from page 2)	2,757,225	c. Other	292,601		
4. Miscellaneous local receipts (from page 2)	521,962	d. Total (a. through c.)	292,601		
5. Transfers from toll facilities		4. General administration & miscellaneous	683,816		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety			
a. Bonds - Original Issues		6. Total (1 through 5)	3,472,120		
b. Bonds - Refunding Issues		B. Debt service on local obligations:			
c. Notes		1. Bonds:			
d. Total (a. + b. + c.)	0	a. Interest	58,913		
7. Total (1 through 6)	3,279,187	b. Redemption	315,000		
B. Private Contributions		c. Total (a. + b.)	373,913		
C. Receipts from State government (from page 2)	889,927	2. Notes:			
D. Receipts from Federal Government (from page 2)	0	a. Interest			
E. Total receipts (A.7 + B + C + D)	4,169,114	b. Redemption			
		c. Total (a. + b.)	0		
		3. Total (1.c + 2.c)	373,913		
		C. Payments to State for highways			
		D. Payments to toll facilities			
		E. Total disbursements (A.6 + B.3 + C + D)	3,846,033		
IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)					
	Opening Debt	Amount Issued	Redemptions	Closing Debt	
A. Bonds (Total)	1,345,000	0	315,000	1,030,000	
1. Bonds (Refunding Portion)					
B. Notes (Total)				0	
V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	2,686,177	4,169,114	3,846,033	3,009,258	0
Notes and Comments:					

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2015

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	16,653
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees	886,157	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	1,871,068	g. Other Misc. Receipts	505,309
6. Total (1. through 5.)	2,757,225	h. Other	
c. Total (a. + b.)	2,757,225	i. Total (a. through h.)	521,962
	(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	669,657	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	73,586	d. Federal Transit Admin	
d. Other - Road & Bridge Taxes	146,684	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	220,270	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	889,927	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities		0	0
(2). Capacity Improvements		0	0
(3). System Preservation		475,631	475,631
(4). System Enhancement & Operation		1,106,291	1,106,291
(5). Total Construction (1) + (2) + (3) + (4)	0	1,581,922	1,581,922
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	1,581,922	1,581,922
			(Carry forward to page 1)

Notes and Comments: