TOWN OF CASTLE ROCK COLORADO

# 2020 COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED DEC. 31, 2020










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TOWN OF CASTLE ROCK COLORADO

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# 2020 Comprehensive Annual Financial Report

For the Year Ended December 31, 2020

Prepared by the Finance Department




# Finance Department

| | |
|---|---|
| Trish Muller, CPA | Finance Director |
| Nicole Carner | Assistant Finance Director |
| Michael Tempel | Business Systems Analyst |
| Anna Maria Menza | Administrative Assistant |
| *Accounting Staff* | |
| Christie Guthrie, CPA | Accounting Manager |
| Kimberly Kraft | Accounting Supervisor |
| Michelle Schrote, CPA | Finance Projects Analyst |
| Katie Baker | Accountant |
| Amber Hulla | Payroll Technician |
| Melissa Everett | Payroll Technician |
| Christina LeBlanc | Accounting Technician |
| Don Huff | Accounting Technician |
| Henrietta Feury | Accounting Technician |
| Bethany Dickerman | Accounting Technician |
| *Finance Staff* | |
| Chris Creighton | Budget/Finance Manager |
| Karlee Suhanyi | Financial Analyst |
| Alex Thiel | Financial Analyst |
| *Sales Tax Administration* | |
| Pete Mangers | Revenue Manager |
| Jamie Authier | Sales Tax Auditor |
| Craig Larson | Sales Tax Auditor |
| Greg Doane | Sales Tax Auditor |
| Sara Kucewesky | Building Use Tax Auditor |
| Ricci Buckingham | Sales Tax Specialist |
| Lynda Halterman | Senior Customer Service Representative |

**For questions regarding this report, please contact:**
Town of Castle Rock, Colorado
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Certificate of Achievement for Excellence in Financial Reporting

May 28, 2021

To the Honorable Mayor, Members of Town Council, and Citizens of the Town of Castle Rock, Colorado:

Colorado state law and the Town of Castle Rock (the Town) Home Rule Charter require an annual audit of the Town's financial statements. The goal of an audit is to provide reasonable assurance that the financial statements of the Town are presented in conformity with generally accepted accounting principles. The audit must be performed by an independent firm of licensed certified public accountants. In accordance with this requirement, we submit for your information and review, the Comprehensive Annual Financial Report of the Town for the year ended December 31, 2020.

Management of the Town is responsible for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the Town has established a comprehensive internal control framework that is designed to protect the Town's assets from loss, theft, or misuse and to provide sufficient reliable information for the preparation of the financial statements. Because the cost of internal controls should not exceed the benefits, the internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

BKD, LLP has issued an unmodified opinion on the Town's financial statements. An "unmodified" opinion means that the financial statements meet the "in conformity with generally accepted accounting principles" requirement. The auditor's report is located at the front of the financial section of this report. The independent auditor is also required to complete the federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The results of the single audit are available in the Town's separately issued single audit report.

Management provides a narrative introduction, overview and analysis of the basic financial statements. Management's Discussion and Analysis (MD&A) provides an overview of the financial statements and is intended to complement this letter of transmittal. The MD&A can be found in the Financial Section of this Comprehensive Annual Financial Report immediately following the report of the independent auditors.

## PROFILE OF THE TOWN

Castle Rock is located in Douglas County along Interstate 25 approximately halfway between Denver and Colorado Springs. Castle Rock encompasses approximately 34 square miles and serves a population estimated at 75,857 residents. The Town's location, view of the mountains, mesas and the "small town feel" make Castle Rock a desirable location for residential development.

The Town was incorporated in 1881 and adopted its Home Rule Charter in 1987. The Town operates under the council-manager form of government. The policy-making and legislative authority are vested with the Town Council (the Council), which consists of seven members including the Mayor and Mayor Pro Tem. Each councilmember is elected to represent an election district, and new in 2018, the Mayor is elected to represent the Town at large. Town Councilmembers will serve four-year terms. In addition to serving on Council, individual members also represent the Town on various local, county and regional boards.

The Council is responsible for passing ordinances, adopting the budget, appointing boards and commissions, hiring the Town Manager (Manager), Town Attorney and Municipal Judge. The Manager is responsible for carrying out the policies and ordinances approved by Council, appointing the heads of the departments and for overseeing the operations of the Town.

The Town provides a full range of services including: police and fire protection, courts, emergency medical services, municipal water, water resources, storm water, wastewater, construction and maintenance of streets, public transit, parks and open spaces, golf course, recreation center, cultural events, community support, planning, development, code enforcement and general governmental services.

## LOCAL ECONOMY

Sales taxes provide approximately 63% of the Town's General Fund revenues. Sales taxes are used to support ongoing services such as police, fire, parks, open space, municipal court, and general governmental services. The major sources of sales taxes within the Town include a retail outlet mall, the promenade shopping and dining center, home improvement stores and grocery stores. The Town is the county seat for Douglas County and the site of the Douglas County School District Office. These two governments along with the Town are among the top four employers within the Castle Rock area. Because of its close proximity to both Denver and Colorado Springs, many of the Castle Rock residents commute to these two cities to work.

Growth, primarily in the area of single-family residential homes, continues to have a major impact on the Town's economy. The Town issued permits for 1,379 new residential units (single family 1,086 and multi-family 293) and 59 new commercial permits in 2020. The Town assesses impact fees, which are collected when a building permit is issued. Impact fees are used to pay for growth-related improvements to parks and recreation, fire, police, transportation and general municipal facilities. These fees are used solely for growth related costs and cannot be used to provide new services or amenities. In addition to impact fees, the Town collects system development fees for the development of water resources, water, and wastewater infrastructure. Like impact fees, these fees are collected when a building permit is issued. These fees are used for the construction of utility infrastructure that is necessary as a result of growth.

## LONG-TERM FINANCIAL PLANNING

The annual budget serves as the foundation for the Town's planning and control. All departments of the Town are required to submit budget requests for the following year to Finance by April. These requests are used as a starting point for developing a proposed budget. Finance and the Town Manager present the proposed budget to Council for their review on or before October 31st. The Town holds public hearings on the proposed budget and the Council adopts the original budget by December 15th.

The Town also prepares and adopts a five-year capital improvement program. Each year, this five-year capital plan is reviewed and updated for projects that are intended to be either designed or constructed within the next five years.

During 2019, the Town moved to a five-year balanced financial plan, from a three-year approach previous to 2019, which identified and planned sustainably, for major financial issues, level of service issues and major projects.

## RELEVANT FINANCIAL POLICIES

In November, 1992, Colorado voters approved a State Constitutional Amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues) without a vote of the local citizens. TABOR further requires emergency reserves of at least 3% of fiscal year spending (excluding bonded debt service). Town's management has implemented policies and procedures to ensure compliance with the provisions of TABOR.

## MAJOR INITIATIVES

Despite the COVID-19 pandemic, the Town continued to experience growth during 2020. Total revenue collected for all Town Funds combined exceeded budget and no individual fund exceeded budgeted expenditures for the year. Sales tax revenue increased approximately 3 percent from 2019.

The COVID 19 pandemic has unsettled the world and required significant changes in Town operations. Town employees performed outstandingly, quickly pivoting to required remote working, and then to social distancing, without a significant disruption in services.

To help ensure the health and safety of our workforce and the public we serve, processes were changed to conduct public meetings and staff gatherings via the web; approve documents and payments remotely; and provide recreational opportunities to residents while alternatives were absent or diminished. These are just a few examples of how employees found ways to maintain levels of service under new and challenging conditions during 2020. While the pandemic required changes, like any other strong, yet nimble organization, the Town of Castle Rock and our employees improvised where needed, maintained our focus on service to our community, and used this challenging time to improve operations and services.

Other happenings beyond the pandemic occurred in 2020 around Town such as the Parks and Recreation department earning national accreditation from the Commission for Accreditation of Park and Recreation Agencies. This department also spearheaded the effort the extend trails at Gateway Mesa Open Space, along Sellars Gulch and Covy Court as well as installing a new HVAC unit for the Recreation Center's leisure pool and implementing new recreation registration software. The Town also added a detective, a school resource officer and a training officer to the Police Department and construction was completed on the North Building at the Town's Public Safety Training Facility.

The Town reached substantial completion on upgrades to the Plum Creek Water Purification Facility, which will enable purified reuse water to be provided to the community in early 2021. A pumping facility was also installed to draw water out of East Plum Creek near Sedalia and a line to transport that water back to the Plum Creek Water Purification Facility for treatment. Also completed was the rehabilitation of a critical sewer line in the Memmen Young neighborhood and the Town participated in improvements to the Plum Creek Water Reclamation Authority, which treats the Town's wastewater.

Transportation projects included the widening of Plum Creek Parkway east of Gilbert Street to Eaton Circle, including constructing two new roundabouts. The annual pavement maintenance program included the central Castle Rock area, a Transit Feasibility Study was facilitated during the year and progress toward a future Interstate 25 interchange at Crystal Valley Parkway also occurred.

Economic priorities expanded in 2020 as the Town upgraded the Development Activity Map on CRgov.com, providing greater transparency. The Town also fulfilled its financial obligations for the Encore project, which will add more than 300 public parking spaces adjacent to Festival Park in 2021.

## AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Town of Castle Rock the Certificate of Achievement for Excellence in Financial Reporting for its 2019 Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award that is the highest form of recognition in the area of governmental accounting and financial reporting. The attainment of this award represents a significant accomplishment by the Town. In order to receive this award, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. This is the thirtieth consecutive year that the Town has received this award.

The Town was also an honored recipient of an award from the GFOA for its third submission of the 2019 PAFR (Popular Annual Financial Report). This report is specifically designed to be readily accessible and easily understandable to the general public without a background in public finance.

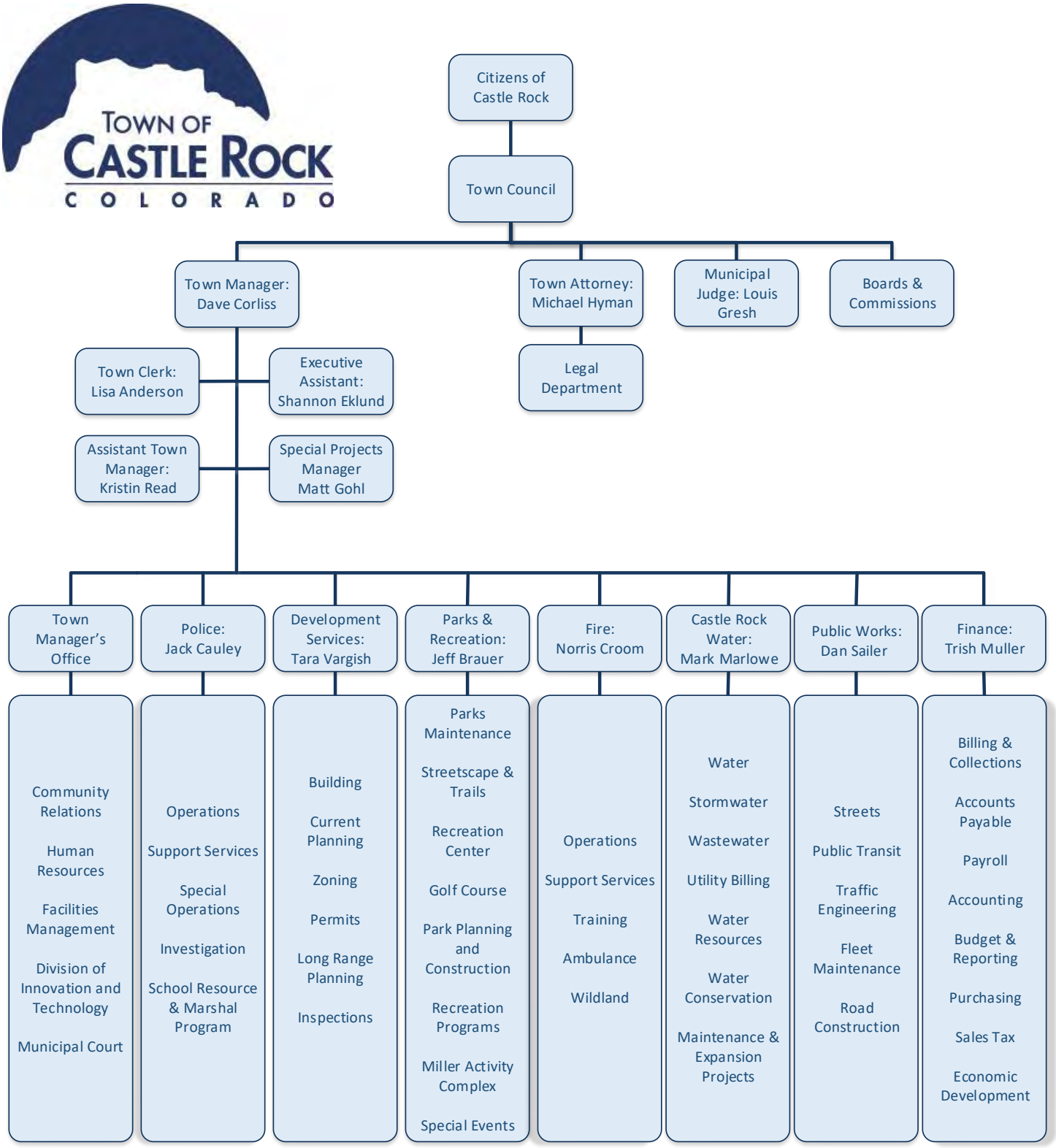
We would like to thank the Town Council for their support throughout the year. We would also like to thank the Finance Staff for their dedicated efforts in the preparation of this report.

Sincerely,

David L. Corliss
Town Manager

Trish Muller, CPA
Finance Director

**Organization Chart**
**Town of Castle Rock, Colorado**
**December 2020**



# Town of Castle Rock, Colorado
# Directory of Town Officials
# As of December 31, 2020

## Town Council

| | |
|---|---|
| Mayor | Jason Gray |
| Council Member - District 1 | Ryan Hollingshead |
| Council Member - District 2 | Laura Cavey |
| Council Member - District 3 (Mayor Pro Tem) | Kevin Bracken |
| Council Member - District 4 | Desiree LaFleur |
| Council Member - District 5 | Caryn Johnson |
| Council Member - District 6 | Tim Dietz |

## Appointed Officials

| | |
|---|---|
| Town Manager | David L. Corliss |
| Town Attorney | Michael J. Hyman |
| Municipal Judge | Louis Gresh |

## Executive Leadership

| | |
|---|---|
| Director of Development Services | Tara Vargish |
| Director of Finance | Trish Muller |
| Fire Chief | Norris Croom |
| Director of Parks and Recreation | Jeff Brauer |
| Police Chief | Jack Cauley |
| Director of Public Works | Dan Sailer |
| Director of Castle Rock Water | Mark Marlowe |
| Town Clerk | Lisa Anderson |
| Assistant Town Manager | Kristin Read |
| Special Projects Manager | Matt Gohl |

Government Finance Officers Association

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

**Town of Castle Rock**
**Colorado**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

December 31, 2019



Executive Director/CEO

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# FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining and Individual Fund Statements and Schedules

BKD
CPAs & Advisors

1801 California Street, Suite 2900 | Denver, CO 80202-2606
303.861.4545 | Fax 303.832.5705 | bkd.com

# Independent Auditor's Report

Honorable Mayor and Members of Town Council
Town of Castle Rock, Colorado
Castle Rock, Colorado

## Report on the Financial Statements

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

### *Management's Responsibility for the Financial Statements*

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

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Plum Creek Water Reclamation Authority, a joint venture of the Town, which represents 26.3 percent, 26.7 percent, and 1.5 percent, respectively, of the total assets, net position, and revenues of the Wastewater Enterprise Fund and 3.7 percent, 4.1 percent, and 0.25 percent, respectively, of the total assets, net position, and revenues of the Town's business-type activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Plum Creek Water Reclamation Authority, is based solely on the report of the other auditors. We also did not audit the financial statements of the Castle Rock Downtown Development Authority or the Miller's Landing Business Improvement District, which together represent 100 percent of the assets, net position and revenues of the aggregate discretely presented component units of the Town. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Castle Rock Downtown Development Authority and the Miller's Landing Business Improvement District, is based solely on the reports of the other auditors. 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. The financial statements the Plum Creek Water Reclamation Authority, a joint venture of the Town included in the Wastewater Enterprise

PRAXITY
Empowering Business Globally

Fund and business-type activities of the Town, and the financial statements of the Castle Rock Downtown Development Authority and Miller's Landing Business Improvement District, component units included in the financial statements of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

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

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

## *Opinions*

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

## *Emphasis of Matters*

As discussed in Note 1R to the financial statements, in 2020, the Town adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 84, *Fiduciary Activities*, Governmental Accounting Standards Board Statement No. 88, *Certain Disclosures Related to Debt, including Direct Borrowing and Direct Placements*, and paragraphs 4 and 5 of Governmental Accounting Standards Board Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32*. Our opinions are not modified with respect to these matters.

As discussed in Note 20 to the financial statements, in 2020, the Town reporting entity changed to include the Miller's Landing Business Improvement District as a discretely presented component unit by restating beginning net position. Our opinions are not modified with respect to this matter.

## *Other Matters*

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison and pension information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual funds statements and schedules, Local Highway Finance Report, and introductory and statistical sections as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual funds statements and schedules and Local Highway Finance Report (supplementary information) is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. 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 supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

## Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we also have issued our report dated May 27, 2021, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

BKD, LLP

Denver, Colorado
May 27, 2021

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# Management's Discussion and Analysis

As management of the Town of Castle Rock (Town), Colorado, we offer the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2020. We encourage readers to consider the information presented here in conjunction with additional information contained in the Notes to the Basic Financial Statements and our Letter of Transmittal, which can be found in the Introductory Section of the Town's Comprehensive Annual Financial Report.

## Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at December 31, 2020 by $1.2 billion (*net position*). Of this amount, $195.3 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.

- The Town's total Net Position increased by $94.1 million or 9 percent.

- As of December 31, 2020, the Town's governmental funds reported combined ending fund balances of $93.9 million, an increase of $39.7 million from 2019.

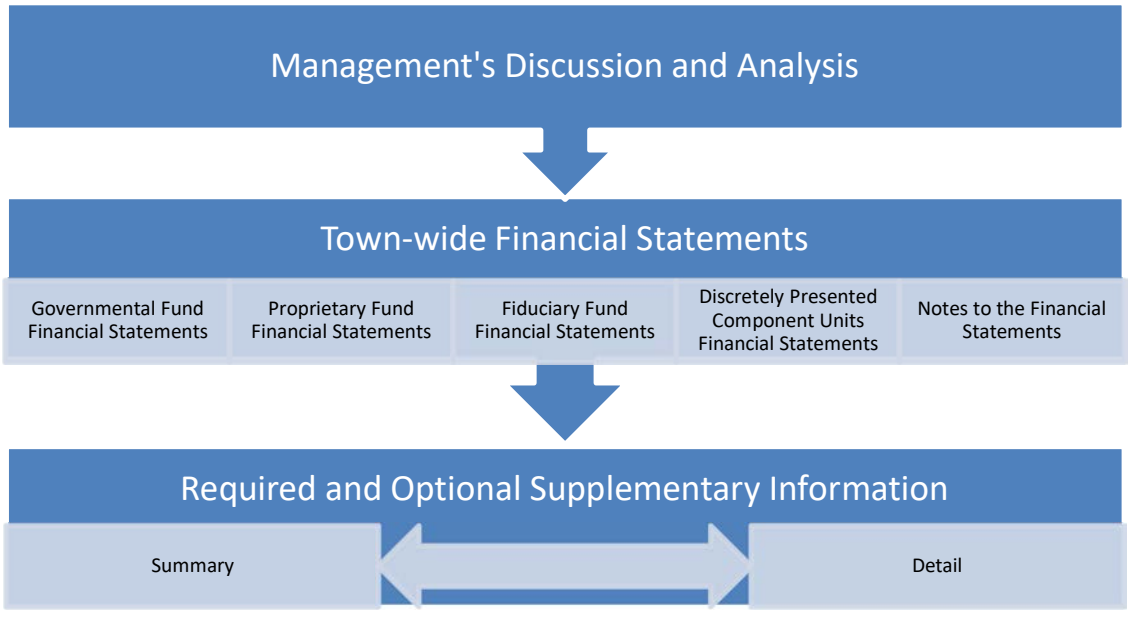
- The Town's long-term liabilities totaled $118.8 million at the end of 2020. The $7.8 million or 7 percent increase from 2019 was primarily due to long-term debt and net pension liability.

- On December 31, 2020, the unassigned fund balance for the General Fund was $21.1 million, which consisted of three-months cash reserves of $12.1 million to cover cash flow requirements and unappropriated funds of $9.0 million.

## Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements.

The basic financial statements are comprised of three components: 1) Town-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains Other Supplementary Information in addition to the basic financial statements and information about the Downtown Development Authority and the Business Improvement District, the two discretely presented component units of the Town.



## Town-wide Financial Statements

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

The *Statement of Net Position* reports *net position* as the difference between Town-wide assets and deferred outflows of resources, and liabilities and deferred inflows of resources. 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 year. 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 result in cash flows in a future period (e.g., uncollected taxes and earned but unused vacation leave).

The Town-wide financial statements distinguish functions of the Town that are primarily supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Governmental activities of the Town include: general government, public safety (police and fire), public works (streets and transportation), culture and recreation (parks, open space and recreation), and the Castle Rock Urban Renewal Authority. The business-type activities of the Town include: water, water resources, stormwater, wastewater, golf course, community (recreation) center and development services.

The Town-wide financial statements include not only the Town itself (known as the *primary government)*, but also legally separate entities for which the Town is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The Castle Rock Urban Renewal Authority, although also legally separate, functions for all practical purposes as a department of the Town, and therefore, has been included as an integral part of the primary government.

## Fund Financial Statements

The Town, like other governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. 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 funds of the Town can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

## Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the Town-wide financial statements. However, unlike the Town-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 year. Such information may be useful in evaluating a Town's near-term financing requirements.

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

The Town maintains sixteen individual governmental funds. Information on the Town's major governmental funds; the General Fund, including the Economic Development and Parking Funds, the Transportation Fund and the Transportation Capital Fund are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the other eleven governmental funds are aggregated into a single "Other Governmental Funds" column. Individual fund data for each

of these non-major governmental funds is provided in the Combining and Individual Statements under the Supplemental Information tab.

The Town adopts an annual budget for all governmental funds. A schedule of revenues, expenditures and changes in funds available budget and actual (non-GAAP budgetary basis) has been provided to demonstrate compliance with the budget.

## Proprietary Funds

The Town maintains two types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the Town-wide financial statements. The Town uses enterprise funds to account for its water, water resources, stormwater, wastewater, golf course, community center and development services funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's funds and departments. The Town uses internal service funds to account for its fleet of vehicles and to accumulate and pay employee benefits. The internal service funds are included within governmental activities in the Town-wide financial statements since these services predominantly benefit governmental rather than business-type functions.

Proprietary funds provide the same type of information as the Town-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the enterprise funds: Water, Water Resources, Stormwater, Wastewater, Golf, Community Center and Development Services. The internal services funds are aggregated into a single column on the proprietary fund financial statements. Individual fund data for internal service funds are provided in the form of Combining Statements under the Supplemental Information tab.

## Fiduciary Funds

The Town adopted GASB Statement No. 84, *Fiduciary Activities,* in 2020. Adoption of GASB 84 required inclusion in the Town's financial statements of a statement of fiduciary net position and statement of changes in fiduciary net position, neither of which were included in prior years. These funds are used to account for resources held by the Town for the benefit of parties outside of the Town government. Fiduciary activities are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. As of December 31, 2020, the Town's fiduciary activities include the following: one Pension Trust Fund and four custodial funds including the Add-on PIF Fund, Special District Fund, Use Tax Fund and Authority Development Fee Fund.

## Required Supplementary Information and Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the Town's progress in funding its obligation to provide pension benefits for firefighters. The General Fund and Transportation Fund budgets are presented as part of Required Supplementary Information.

The combining and individual fund statements and schedules include detailed information about the non-major governmental funds (non-major special revenue funds and non-major capital projects funds), and the internal service funds and is presented as Supplementary Information.

## Town-wide Financial Analysis

The chart on the following page shows a summary comparison of the Town's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for 2020 and 2019. Based on that comparison, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources (net position) by $1,169.2 million at the close of 2020. Net position may serve over time as a useful indicator of the Town's financial position.

**NET POSITION**
**DECEMBER 31, 2020 and 2019**
**(In thousands)**

| | 2020 | | | 2019 | | |
|---|---|---|---|---|---|---|
| | Governmental Activities | Business-type Activities | Total | Governmental Activities | Business-type Activities | Total |
| **ASSETS** | | | | | | |
| Current and other assets | $ 127,582 | $ 139,669 | $ 267,251 | $ 87,752 | $ 144,129 | $ 231,881 |
| Capital assets | 412,563 | 634,584 | 1,047,147 | 401,543 | 583,374 | 984,917 |
| Total assets | 540,145 | 774,253 | 1,314,398 | 489,295 | 727,503 | 1,216,798 |
| **DEFERRED OUTFLOWS** | | | | | | |
| Pension related amounts | 4,123 | - | 4,123 | 5,090 | - | 5,090 |
| Loss on refundings | 846 | 617 | 1,463 | 454 | 748 | 1,202 |
| Total deferred outflows | 4,969 | 617 | 5,586 | 5,544 | 748 | 6,292 |
| **LIABILITIES** | | | | | | |
| Long-term liabilities | 48,956 | 69,841 | 118,797 | 41,109 | 69,915 | 111,024 |
| Other liabilities | 21,721 | 6,780 | 28,501 | 23,165 | 10,954 | 34,119 |
| Total liabilities | 70,677 | 76,621 | 147,298 | 64,274 | 80,869 | 145,143 |
| **DEFERRED INFLOWS** | | | | | | |
| Pension related amounts | 958 | - | 958 | 78 | - | 78 |
| IREA capital credit | 1,082 | - | 1,082 | 1,375 | - | 1,375 |
| Property tax | 1,405 | - | 1,405 | 1,353 | - | 1,353 |
| Total deferred inflows | 3,445 | - | 3,445 | 2,806 | - | 2,806 |
| **Net Position** | | | | | | |
| Net investment in capital assets | 376,706 | 567,916 | 944,622 | 361,695 | 512,560 | 874,255 |
| Restricted | 29,327 | - | 29,327 | 16,885 | - | 16,885 |
| Unrestricted | 64,959 | 130,333 | 195,292 | 49,179 | 134,822 | 184,001 |
| Total net position | $ 470,992 | $ 698,249 | $ 1,169,241 | $ 427,759 | $ 647,382 | $ 1,075,141 |

By far the largest portion of the net position (81 percent) is reflected in the Town's investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure) less any related outstanding debt used to acquire those assets. The Town uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves are not liquidated to pay these liabilities.

An additional portion of the Town's net position, $29.3 million (3 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position ($195.3 million) consists primarily of accumulated development impact fees that will be used to fund infrastructure needs caused by growth, accumulated rates and fees that will be used to fund the long term water plan, and Town and management designated reserves for Business-Type Activities (operating, capital, revenue stabilization, and catastrophic failure).

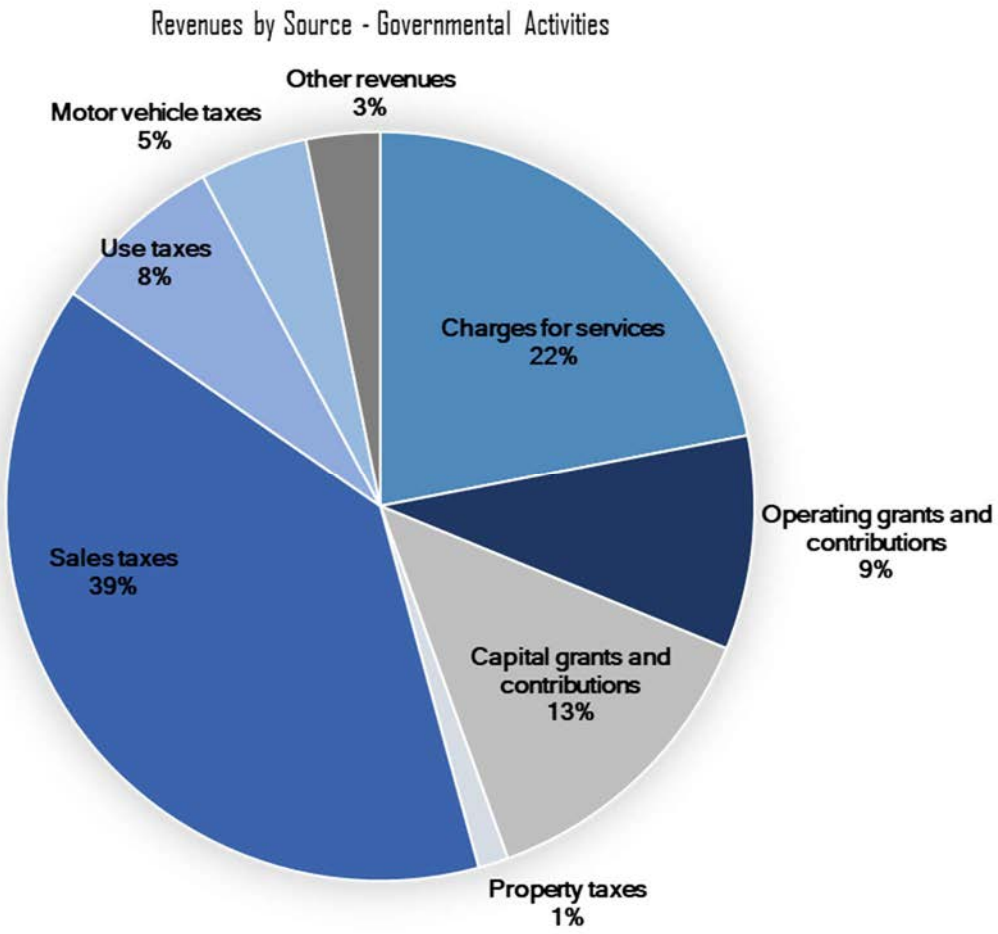
At the end of 2020, the Town reported positive balances in all three categories of net position, both for the Town as a whole as well as for its separate governmental and business-type activities.

The Town's net position increased $94.1 million during 2020. There was a $43.2 million increase in the net position for governmental activities. Total net position of the business-type activities increased $50.9 million. This increase was partially the result of water, stormwater and wastewater infrastructure valued at $16.8 million which was contributed to the utilities enterprise by developers. The remaining $34.1 million consists of system development fees, charges for services, sales taxes and other revenues less capital and operating expenses.

**2020 AND 2019 CHANGES IN NET POSITION**
(in thousands)

| | 2020 | | | 2019 | | |
|---|---|---|---|---|---|---|
| | Governmental activities | Business-type activities | Total | Governmental activities | Business-type activities | Total |
| **REVENUES** | | | | | | |
| Program revenues | | | | | | |
| Charges for services | $ 29,600 | $ 61,185 | $ 90,785 | $ 18,193 | $ 63,892 | $ 82,085 |
| Operating grants and contributions | 12,497 | - | 12,497 | 6,973 | - | 6,973 |
| Capital grants and contributions | 17,892 | 44,345 | 62,237 | 24,506 | 30,603 | 55,109 |
| General revenues | | | | | | |
| Property taxes | 1,745 | - | 1,745 | 1,483 | - | 1,483 |
| Sales taxes | 52,468 | 2,829 | 55,297 | 50,729 | 2,591 | 53,320 |
| Use taxes | 10,104 | 446 | 10,550 | 8,081 | 370 | 8,451 |
| Other revenues | 10,598 | 2,755 | 13,353 | 12,398 | 3,066 | 15,464 |
| Total revenues | 134,904 | 111,560 | 246,464 | 122,363 | 100,522 | 222,885 |
| **EXPENSES** | | | | | | |
| General government | 19,218 | - | 19,218 | 17,615 | - | 17,615 |
| Public safety | 30,340 | - | 30,340 | 31,617 | - | 31,617 |
| Public works | 32,327 | - | 32,327 | 37,097 | - | 37,097 |
| Culture and recreation | 8,361 | - | 8,361 | 7,995 | - | 7,995 |
| Interest on long-term debt | 1,237 | - | 1,237 | 1,337 | - | 1,337 |
| Water | - | 18,922 | 18,922 | - | 18,519 | 18,519 |
| Water Resources | - | 10,777 | 10,777 | - | 9,849 | 9,849 |
| Stormwater | - | 4,923 | 4,923 | - | 4,481 | 4,481 |
| Wastewater | - | 10,162 | 10,162 | - | 25,749 | 25,749 |
| Golf | - | 3,104 | 3,104 | - | 3,020 | 3,020 |
| Community center | - | 6,214 | 6,214 | - | 8,085 | 8,085 |
| Development services | - | 6,779 | 6,779 | - | 6,234 | 6,234 |
| Total expenses | 91,483 | 60,881 | 152,364 | 95,661 | 75,937 | 171,598 |
| Increase in net position before transfers | 43,421 | 50,679 | 94,100 | 26,702 | 24,585 | 51,287 |
| Transfers | (188) | 188 | - | 452 | (452) | - |
| Increase in net position | 43,233 | 50,867 | 94,100 | 27,154 | 24,133 | 51,287 |
| Net position - January 1 | 427,759 | 647,382 | 1,075,141 | 400,605 | 623,249 | 1,023,854 |
| Net position - December 31 | $ 470,992 | $ 698,249 | $ 1,169,241 | $ 427,759 | $ 647,382 | $ 1,075,141 |

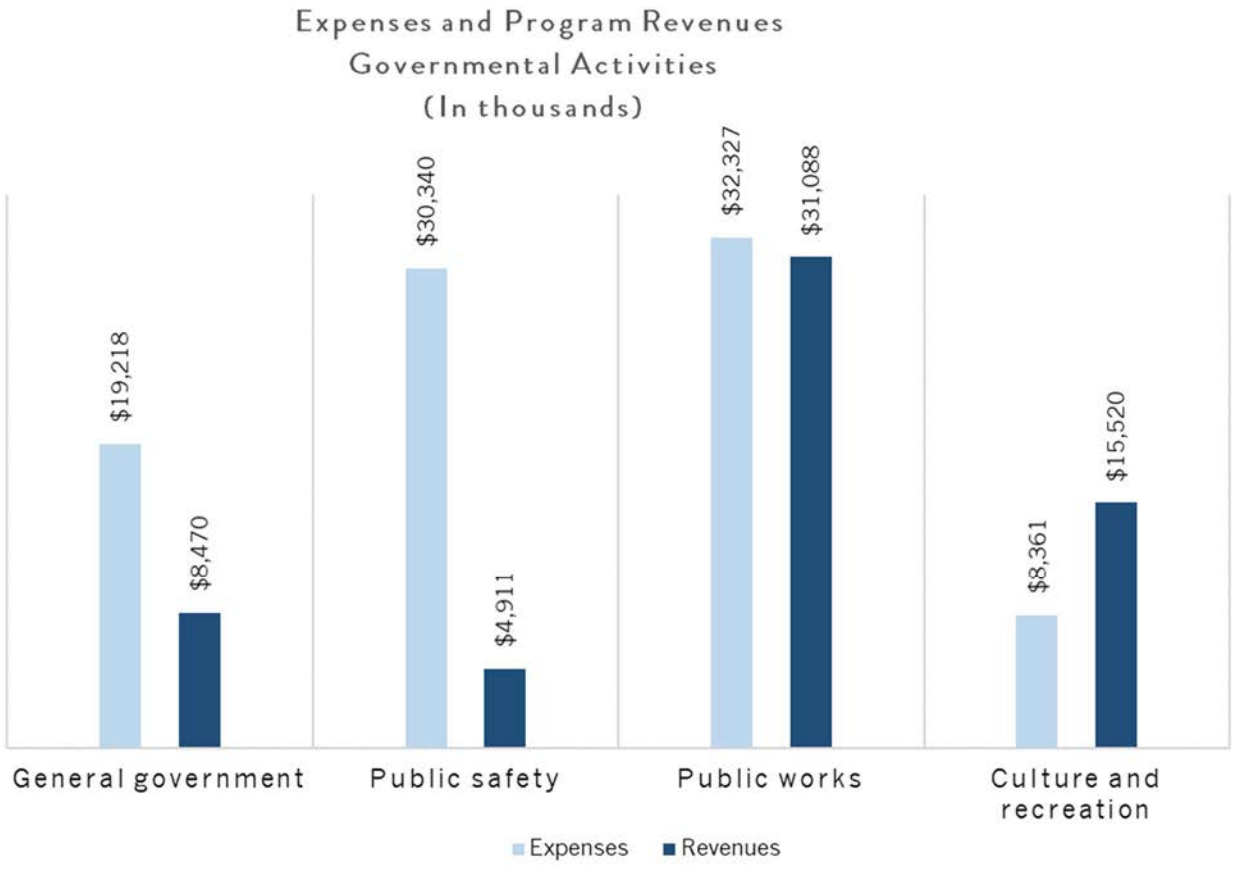
**Governmental activities.** The following chart shows the governmental activities revenues by source. Sales taxes provide 39 percent of the total revenues of the governmental activities. Program revenues including charges for services and grants and contributions provide 44 percent of revenues in the governmental activities. Only 1 percent of the revenues of the governmental activities are provided by property taxes.




Governmental activities increased the Town's net position by $43.2 million. Key elements of this change are as follows:

- Sales taxes increased by $1.7 million or 3 percent in 2020
- Use taxes increased by $2.0 million or 25 percent in 2020
- General government operating grants and contributions increased $3.3 million in 2020 due to receipt of Coronavirus Aid, Relief, and Economic Security (CARES) Act funds
- Public works charges for services increased $6.0 million or 93 percent in 2020 due to increased receipts of development impact fees
- Public works operating grants and contributions increased $2.2 million or 38 percent in 2020, which is largely attributable to a regrouping of intergovernmental shareback revenues

The chart below shows the extent to which expenses of the various functions of governmental activities are covered by program revenues. Certain program revenues of public works are used for the construction of capital assets. These construction costs are not expensed in the year that the revenues are received but are instead capitalized and depreciated over the life of the assets.




Note: This chart does not include tax revenues, which are the primary source of funding for most governmental activities.

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**Business-type activities**. Business-type activities increased the Town's net position by $50.9 million, accounting for 54 percent of the total growth in the Town's net position. Key elements of this increase are as follows:

The change in net position in business-type activities resulted primarily from Water, Water Resources, Stormwater and Wastewater Fund system development fees of $27.6 million and contributed infrastructure from developers of $16.8 million and charges for services offset by capital and operational expenses.

## Small business support

Small local businesses were some of the most impacted by the pandemic and associated public health orders. And, the Town threw its support behind them to help keep them going. Perhaps most notable is the $1.85 million in grants Town Council awarded to roughly 160 local businesses from April to December. But the support didn't end there. The Town funded two local business loan programs; water bill payment assistance; and community marketing efforts to support Castle Rock's business community. The Town also worked to support additional outdoor dining at local restaurants.

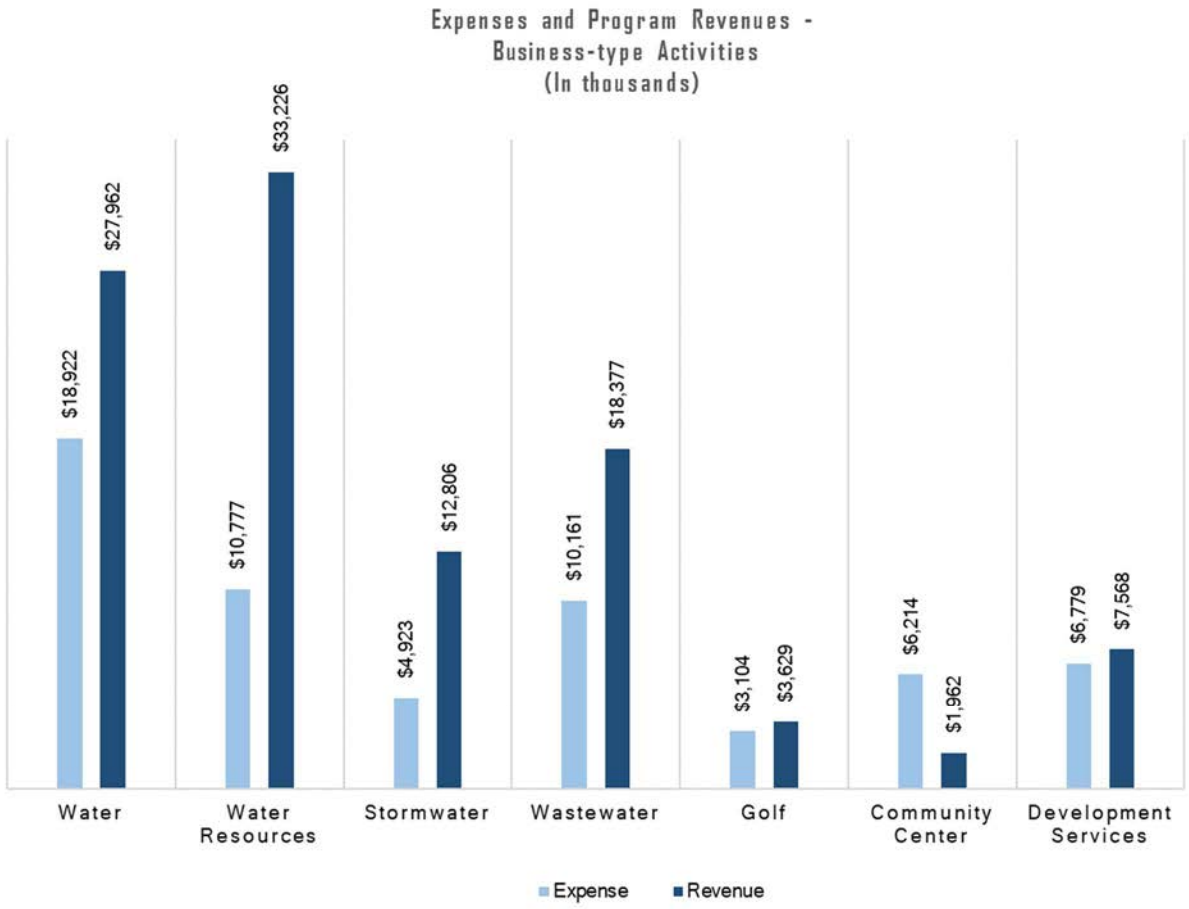





*The iconic Castle Rock Star is lighted on top of the rock every year around Thanksgiving and remains lit through the end of the Stock Show in Denver. This tradition has been in place since 1936.*

*The star was also lit as a symbol of hope in April, 2020 in the midst of the National Emergency declared because of the Coronavirus pandemic.*

The chart that follows reflects all revenues of the enterprise funds including impact fees and system development fees. These impact and development fees can only be used for growth related costs, which are primarily the construction of infrastructure assets.




## Financial Analysis of the Town's Funds

**Governmental funds.** The focus of the governmental fund financial statements 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 balances may serve as a useful measure of a Town's net resources available for spending at the end of the year.

As of December 31, 2020, the governmental funds reported combined ending fund balances of $93.9 million, which was an increase of $39.7 million from 2019. Of the $93.9 million, the unassigned balance is $20.2 million or 21 percent, which is available to spend at the Town's discretion. The unassigned balance includes $12.1 million in three-month cash reserves to cover cash flow requirements for the General Fund. The remaining fund balance of $73.7 million, consists of fund balance that otherwise has constraints. These constraints include: $3.5 million in non-spendable funds due to the nature of prepaid and long-term receivables, $38.5 million in restricted funds due to revenues restricted for a specific purpose of which portions are not yet designated for a specific project, $28.6 million in committed funds for spending determined by the Town Council, and $3.1 million in assigned funds for future planned intentions.

The General Fund is the chief operating fund of the Town, which includes two subsidiary funds; the Economic Development Fund and the Parking Fund. At the end of 2020, fund balance of the General Fund was $47.0 million, of which $21.1 million was unassigned. As a measure of the General Fund's liquidity, unassigned fund balance represents 41 percent of the General Fund expenditures of $51.3 million. The General Fund balance increased by $17.5 million, or 59 percent, during 2020.

At the end of 2020, total fund balance of the Transportation Fund was $14.9 million. Of this amount, $0.07 million is non-spendable funds due to prepaids and $14.8 million is committed by Town Council for future projects. Fund balance for the Transportation Fund increased $6.4 million in 2020. Overall, the Transportation Fund revenues increased $0.4 million or 1 percent in 2020, excluding impact fees that are collected in the Transportation Capital Fund.

The Transportation Capital Fund qualifies as a major fund for 2020 and had a total fund balance of $16.8 million at the end of 2020, $5.3 million greater than at the end of 2019. The entirety of this amount is identified as restricted for a certain purpose.

Non-major governmental funds, which rely heavily on growth revenues, saw ending fund balances of $15.3 million in 2020.

***Proprietary funds***. Unrestricted net position of the combined enterprise funds at the end of 2020 were $131.5 million. The unrestricted net position consists largely of development impact fees that will be used to fund infrastructure needs caused by growth, rates and fees that will be used to fund the long term water plan and Town and management designated reserves for Business-Type Activities (operating, capital, revenue stabilization, and catastrophic failure). There was no restricted net position at the end of 2020. Net position for enterprise funds increased in 2020 by $51.5 million with $7.9 million from Water, $26.0 million from Water Resources, $8.3 million from Stormwater, $8.4 million from Wastewater, $0.6 million from Golf and $1.0 million from the Development Services Fund. The net position in the Community Center Fund decreased by $0.6 million.

Charges for services coupled with capital grants, contributions and transfers exceeded expenses by $45.5 million. In addition, investment earnings and sales taxes contributed another $6.0 million resulting in the increase to net position of $51.5 million.



**CRPD, DCSD become first in Colorado to pair SRO with therapy dog**



As sweet as she sounds! Castle Rock Police Department and the Douglas County School District are proud to introduce the newest team member of the Castle View High School (CVHS) family, Buttercup. Buttercup is a 2-year-old Golden Retriever-Sheltie mix who joins School Resource Officer (SRO) Scott Gillespie in his duties at the school.

Buttercup, a licensed therapy dog, joins CRPD after completing six months of training with the Brevard County Sheriff's Office "Paws and Stripes College" in Florida. That was followed by a 40 hour Law Enforcement Investigative Therapy Dog Course through United K9, a national therapy dog certification agency. Together, Officer Gillespie and Buttercup hold three different national certifications as a therapy dog team.

**CAPITAL ASSETS**
**(net of depreciation)**
**(In thousands)**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Land | $ 68,289 | $ 60,556 | $ 18,786 | $ 9,455 | $ 87,075 | $ 70,011 |
| Easements | 4,306 | 3,319 | 13,931 | 11,905 | 18,237 | 15,224 |
| Right of Ways | 10,314 | 9,500 | 244 | 244 | 10,558 | 9,744 |
| Artwork | 294 | 294 | - | - | 294 | 294 |
| Water Rights | - | - | 98,141 | 98,280 | 98,141 | 98,280 |
| Water Rights Definite Life | - | - | 51,634 | 52,070 | 51,634 | 52,070 |
| Buildings and improvements | 50,767 | 48,179 | 29,080 | 30,096 | 79,847 | 78,275 |
| Machinery and equipment | 13,016 | 14,515 | 3,000 | 3,132 | 16,016 | 17,647 |
| Infrastructure | 226,760 | 219,246 | 303,484 | 256,742 | 530,244 | 475,988 |
| Other structures and improvements | 25,619 | 27,182 | 3,866 | 3,839 | 29,485 | 31,021 |
| Construction in progress | 13,198 | 18,752 | 112,418 | 117,610 | 125,616 | 136,362 |
| Total | $ 412,563 | $ 401,543 | $ 634,584 | $ 583,373 | $ 1,047,147 | $ 984,916 |

## Capital Asset and Debt Administration

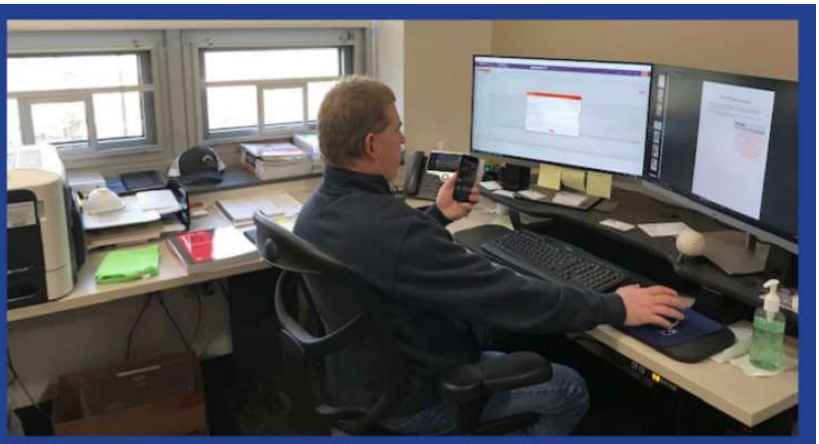
The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2020, amounts to $1,047.1 million (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings and improvements, machinery and equipment, infrastructure (roads, highways, bridges, water and sewer systems), and construction in progress.

## Major capital asset events during 2020 included:

- Extended trails at Gateway Mesa Open Space, along Sellars Gulch and at Covy Court
- Installed a new HVAC unit for the Recreation Center's leisure pool
- Completed construction of the North Building at the Town's Public Safety Training Facility
- Widened Plum Creek Parkway east of Gilbert Street to Eaton Circle, including constructing two new roundabouts
- Continued progress toward a future Interstate 25 interchange at Crystal Valley Parkway, including receipt of a $5.4 million federal grant for preconstruction work which is planned to be spent in its entirety over multiple years
- Reached substantial completion on upgrades to the Plum Creek Water Purification Facility, which will enable purified reuse water to be provided to the community in early 2021
- Installed a pumping facility to draw water out of East Plum Creek near Sedalia and a line to transport that water back to the Plum Creek Water Purification Facility for treatment
- Completed sewer line rehabilitation in the Memmen Young neighborhood
- Participated in improvements to the Plum Creek Water Reclamation Authority, which treats the Town's wastewater

Additional information concerning the Town's capital assets can be found in the Notes to the Basic Financial Statements on page(s) 70-71.

## Taking things online



The need to socially distance meant a lot of the Town's – and others' – business moved into the virtual world. Public safety personnel continued delivering services in-person as needed 24/7, but other operations like building inspections, Municipal Court hearings and even Town Council meetings were completed online. Though some continue to struggle with those pesky mute buttons, this unplanned transition occurred relatively seamlessly. The Town's COVID updates (CRgov.com/**COVID**) and Online Services (CRgov.com/**OnlineServices**) webpages saw 100,000 and 30,000 views, respectively, during 2020, and more than 1,000 participants logged into Town Council meetings virtually. The option to join Town meetings virtually has been extended indefinitely, as both a health and convenience measure.

## Long-term debt

**OUTSTANDING DEBT**

| | Governmental Activities | | Business-type Activities | | Total | |
|---|---|---|---|---|---|---|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenue bonds | $ 27,213,771 | $ 28,038,047 | $ 58,846,032 | $ 63,562,717 | $ 86,059,803 | $ 91,600,764 |
| Certificates of participation | 16,678,982 | 7,130,000 | - | - | 16,678,982 | 7,130,000 |
| Notes payable | - | - | 9,000,000 | 4,500,000 | 9,000,000 | 4,500,000 |
| Capital leases | - | - | 243,389 | 407,441 | 243,389 | 407,441 |
| Total | $ 43,892,753 | $ 35,168,047 | $ 68,089,421 | $ 68,470,158 | $ 111,982,174 | $ 103,638,205 |

The Town has no general obligation bonds outstanding.

At the end of 2020, the Town had total long-term debt outstanding of $112.0 million. Of this amount, there were no general obligation bonds outstanding. There were revenue bonds of $86.1 million and $16.7 million in certificates of participation secured by specific revenue sources. The remainder of the debt ($9.2 million) consists of notes and lease purchase agreements.

The Town's total long-term debt increased by $8.3 million or 8 percent, offset by scheduled annual principal payments, in 2020 due to the purchase of Certificates of Participation for the Encore project parking structure.

Additional information on the Town's long-term debt can be found in the Notes to the Basic Financial Statements on page(s) 73-80.

## General Fund Budgetary Highlights

Unspent capital project appropriations do not automatically carry over into the new year, but unspent amounts are re-appropriated in the following year. The increase of $2.6 million between the total "original" budgets and the "final" amended budgets for the General Fund, excluding subsidiary funds, was primarily due to carryforward of previously unspent capital items including $1.7 million for the construction completion of the Public Safety Training Facility and $1.5 million transferred to the Parking Fund intended to fund debt payments until property tax is generated from the General Improvement District. The difference from the total increase includes cost cutting measures within the General Fund.

When comparing budgeted to actual expenditures in the General Fund and subsidiary Economic Development Fund and Parking Fund, there were positive variances of $5.8 million, $2.6 million, and $0.1 million respectively. For the General Fund, this was made up of unspent capital funds of $2.6 million or 45 percent, for projects not completed in 2020, personnel costs of $0.8 million or 15 percent, and $2.4 million or 41 percent in services and other expenses such as utility costs, vehicle repairs, and contingencies. For the Economic Development Fund, the $2.7 million were economic development opportunities that have not yet come to fruition in 2020 and will be re-appropriated in a future year. For the Parking Fund, the $0.1 million positive variance is attributable to actual debt issue costs being lower than projected.

## Economic Factors and Next Year's Budgets and Rates

The Town fared well in the midst of the global pandemic of 2020 and the continuing economic impacts seen throughout the United States. In line with the Town's consistently conservative fiscal management approach, staff continually monitored economic conditions throughout 2020 and adjusted spending and future planning accordingly. Revenue impacts were initially expected in sales tax, charges for services and other taxes with preliminary estimates suggesting potential decreases between 15 and 20 percent.

In order to prepare for anticipated revenue shortfalls, staff identified various budget reductions and project deferrals. Over $12.9 million in 2020 budget reductions and deferrals including such items as holding vacant positions open, deferring travel, training, equipment and fleet replacement and department specific savings opportunities in areas such as overtime, uniform and supplies and services reductions. A number of these savings or deferred items were deemed allowable as sufficient funding was determined to be available.

Staff closely tracked COVID related expenses incurred and received about $3.5 million in CARES Act funding which was significant in the Town's ability to offer assistance to local businesses. The Town incurred unplanned expenses in response to COVID for personal protection equipment, cleaning supplies, laptops and virtual meeting software, and facilities upgrades to maintain social distancing and a safe working environment. It is currently anticipated that more funding will be made available to the Town through the American Rescue Plan approved by the current administration. The Town is aware that funding could be substantial, upwards of $14 million.

The above factors contributed to a cautious approach to the 2021 budget which includes annual growth in sales tax revenue budgeted at 3 percent. Property tax revenue is budgeted at an increase of 5 percent; the corresponding mill levy rate is expected to equal the 2020 rate of 1.196 mills when finalized in December. No change to current water rates and fees for existing customers during 2021. There will be an increase in growth related water system development fees for 2021, along with inflationary increases for all other impact fees as previously approved by Council. An additional item of note included in 2021 planning includes the movement of sworn Police Officers to the Fire and Police Pension Association (FPPA). Town Council approved this change for 2021 at a September meeting.

In the development of the budget for the General Fund, the Town considered the following factors:

- The Town continued to experience growth during 2020 with the issuance of permits for 1,379 new residential units (1,086 single family, 293 multi-family, and 59 new commercial permits). The Town will budget 700 new residential units and 118 multifamily units in the 2021 budget.
- No increase in tax rates of any kind.
- Unemployment rate for the State of Colorado.
- Inflation as measured by the change in the Denver-Boulder consumer price index (CPI).

The Town collects nine different development and impact fees to defray the costs of new infrastructure needs that are caused by growth. The Town has fee schedules for its various development, system development and impact fees and beginning in 2020, impact fees will be adjusted annually for inflation.

Existing rates and fees are set pursuant to Town Council approved schedules or policies, with no new fees proposed for 2021. The 2021 budget includes no change to current water rates and fees for the typical existing residential

water customer. There will be an increase in growth- related water system development fees for 2021, along with inflationary increases for all other impact fees as previously approved by Council.

The 2021 budget provides for $57.0 million in capital improvements. This includes the following significant projects:

- Build and commence construction of a new neighborhood park in Cobblestone Ranch
- Commence improvements to Butterfield Crossing and Mitchell Gulch parks, and in Plum Creek
- Complete design of the Colorado Front Range Trail through Castle Rock
- Continue preconstruction activities for the future Interstate 25/Crystal Valley Parkway interchange with $5.4 million grant
- Continue design and begin construction of Downtown railroad quiet zone
- Improve certain Downtown alleyways and complete a Downtown alleyways master plan using federal grant funds
- Complete design and permitting of Castle Rock Reservoir no. 2, to be located north of Sedalia
- Continue the WISE, Box Elder and Chatfield Reallocation renewable water projects, and consider purchase of Cherry Creek renewable water rights
- Continue the Water Infrastructure and Supply Efficiency project with design of a new pipeline through Parker to increase future water delivery capacity
- Design a new pipeline from the Plum Creek Water Reclamation Authority to Reuter-Hess Reservoir and inlet structure (Newline Gulch Pipeline)
- Construct a new water tank in Liberty Village/Cobblestone Ranch
- Complete water, sewer, stormwater and street improvements in the Craig & Gould neighborhood
- Begin water line rehabilitations and replacements in the Glovers neighborhood
- Continue stream and drainageway stormwater infrastructure projects
- Construct the long-planned Administration and Customer Service building

## Requests for Information

This financial report is designed to provide a general overview for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Finance Department, 100 North Wilcox Street, Castle Rock, Colorado 80104.

***The Town of Castle Rock offers many ways to stay connected and informed such as:***

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TOWN OF CASTLE ROCK COLORADO

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# Basic Financial Statements

## Town-wide Financial Statements

## Fund Financial Statements

## Notes to the Basic Financial Statements

# Town-wide Financial Statements

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TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE

STATEMENT OF NET POSITION

DECEMBER 31, 2020

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Component Units |
| **ASSETS** | | | | |
| Cash and cash equivalents | $ 58,905,174 | $ 32,703,610 | $ 91,608,784 | $ 699,165 |
| Investments | 35,883,799 | 68,594,118 | 104,477,917 | - |
| Restricted cash and cash equivalents | 10,557,738 | 4,989,983 | 15,547,721 | 5,874,378 |
| Cash held in escrow | 4,166,457 | - | 4,166,457 | - |
| Due from primary government | - | - | - | 150,329 |
| Receivables | | | | |
| Property taxes | 1,405,352 | - | 1,405,352 | 191,525 |
| Grants | 3,968,379 | 64,288 | 4,032,667 | - |
| Sales taxes | 7,070,145 | 389,144 | 7,459,289 | - |
| Accounts, net of allowance of $252,779 | 2,754,643 | 4,363,317 | 7,117,960 | 672 |
| Long term receivable | 1,081,950 | - | 1,081,950 | - |
| Internal balances | 599,261 | (599,261) | - | - |
| Prepaid items | 638,345 | 317,196 | 955,541 | 15,884 |
| Inventory | - | 83,677 | 83,677 | - |
| Capital assets | | | | |
| Land | 68,288,705 | 18,785,530 | 87,074,235 | - |
| Water rights | - | 170,917,249 | 170,917,249 | - |
| Artwork | 293,733 | - | 293,733 | - |
| Right of way | 10,314,094 | 244,469 | 10,558,563 | - |
| Easements | 4,305,812 | 13,930,942 | 18,236,754 | - |
| Construction in progress | 13,198,403 | 112,417,841 | 125,616,244 | 12,431,796 |
| Buildings and improvements | 68,826,401 | 40,512,245 | 109,338,646 | 227,596 |
| Infrastructure | 405,180,415 | 450,335,655 | 855,516,070 | - |
| Other structures and improvements | 64,645,856 | 6,994,126 | 71,639,982 | - |
| Machinery and equipment | 41,122,522 | 8,202,197 | 49,324,719 | 146,563 |
| Accumulated depreciation | (263,613,251) | (187,756,294) | (451,369,545) | (281,541) |
| Net pension asset | 550,949 | - | 550,949 | - |
| Investment in joint venture | - | 28,762,647 | 28,762,647 | - |
| Total assets | 540,144,882 | 774,252,679 | 1,314,397,561 | 19,456,367 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Pension related amounts | 4,123,114 | - | 4,123,114 | - |
| Loss on refundings | 845,913 | 617,274 | 1,463,187 | - |
| Total deferred outflows of resources | 4,969,027 | 617,274 | 5,586,301 | - |

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

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE

STATEMENT OF NET POSITION

DECEMBER 31, 2020

| | Primary Government | | | |
|---|---|---|---|---|
| | Governmental Activities | Business-Type Activities | Total | Component Units |
| **LIABILITIES** | | | | |
| Accounts payable | 5,903,909 | 4,485,320 | 10,389,229 | 1,675 |
| Accounts payable from restricted assets | 800,000 | - | 800,000 | - |
| Retainage payable | 498,159 | 1,239,135 | 1,737,294 | 283,533 |
| Due to component unit | 150,329 | - | 150,329 | - |
| Line of credit | 782,327 | - | 782,327 | - |
| Accrued liabilities | 212,746 | 250,631 | 463,377 | 695,746 |
| Deposits | 3,080,710 | 205,777 | 3,286,487 | - |
| Unearned revenues | 10,292,392 | 599,143 | 10,891,535 | - |
| Non-current liabilities | | | | |
| Due within one year | 3,979,743 | 5,077,779 | 9,057,522 | - |
| Due beyond one year | 44,975,731 | 64,763,406 | 109,739,137 | 22,627,523 |
| Total liabilities | 70,676,046 | 76,621,191 | 147,297,237 | 23,608,477 |
| **DEFERRED INFLOWS OF RESOURCES** | | | | |
| Pension related amounts | 958,030 | - | 958,030 | - |
| IREA capital credit | 1,081,950 | - | 1,081,950 | - |
| Sponsorships | - | - | - | 11,333 |
| Property tax | 1,405,352 | - | 1,405,352 | 191,525 |
| Total deferred inflows of resources | 3,445,332 | - | 3,445,332 | 202,858 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 376,706,367 | 567,915,608 | 944,621,975 | (4,228,731) |
| Restricted for parks and open space | 463,123 | - | 463,123 | - |
| Restricted for emergencies | 2,124,114 | - | 2,124,114 | 884 |
| Restricted for capital projects | 26,167,133 | - | 26,167,133 | - |
| Restricted for pensions | 550,949 | - | 550,949 | - |
| Restricted for debt service | - | - | - | 2,660,549 |
| Restricted for other purposes | 22,004 | - | 22,004 | 9,000 |
| Unrestricted | 64,958,841 | 130,333,154 | 195,291,995 | (2,796,670) |
| Total net position | $ 470,992,531 | $ 698,248,762 | $ 1,169,241,293 | $ (4,354,968) |

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

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED DECEMBER 31, 2020

| Functions/Programs | Expenses | Program Revenues: Charges for Services | Program Revenues: Operating Grants and Contributions |
|---|---|---|---|
| **Governmental activities** | | | |
| General government | $ 19,217,793 | $ 5,152,731 | $ 3,317,471 |
| Public safety | 30,340,170 | 4,568,332 | 342,273 |
| Public works | 32,326,601 | 12,479,568 | 7,995,801 |
| Culture and recreation | 8,360,633 | 7,399,434 | 841,210 |
| Interest on long-term debt | 1,237,504 | - | - |
| Total Governmental activities | 91,482,701 | 29,600,065 | 12,496,755 |
| **Business-type activities** | | | |
| Water | 18,921,743 | 19,557,916 | - |
| Water resources | 10,777,309 | 13,410,716 | - |
| Stormwater | 4,922,935 | 3,785,567 | - |
| Wastewater | 10,161,425 | 11,271,632 | - |
| Golf | 3,104,291 | 3,629,195 | - |
| Community center | 6,214,007 | 1,962,493 | - |
| Development services | 6,779,057 | 7,567,736 | - |
| Total Business-type activities | 60,880,767 | 61,185,255 | - |
| | $ 152,363,468 | $ 90,785,320 | $ 12,496,755 |
| **Component units** | $ 2,147,492 | $ 123,336 | $ 197,196 |

**General revenues**

Taxes

Property

Sales

Use

Motor vehicle

Other

Unrestricted investment earnings

Other revenues not restricted for a purpose

**Transfers**

Total general revenues and transfers

Changes in net position

Net position (deficit) - January 1, as previously reported

Change in reporting entity

Net position (deficit) - January 1, as restated

Net Position (deficit) - December 31

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

| Capital Grants and Contributions | Net (Expense) Revenue and Changes in Net Position | | | |
|---|---|---|---|---|
| | Primary Government | | | |
| | Governmental Activities | Business-type Activities | Total | Component Units |
| $ - | $ (10,747,591) | $ - | $ (10,747,591) | $ - |
| - | (25,429,565) | - | (25,429,565) | - |
| 10,612,578 | (1,238,654) | - | (1,238,654) | - |
| 7,279,707 | 7,159,718 | - | 7,159,718 | - |
| - | (1,237,504) | - | (1,237,504) | - |
| 17,892,285 | (31,493,596) | - | (31,493,596) | - |
| 8,404,047 | - | 9,040,220 | 9,040,220 | - |
| 19,815,468 | - | 22,448,875 | 22,448,875 | - |
| 9,020,329 | - | 7,882,961 | 7,882,961 | - |
| 7,104,993 | - | 8,215,200 | 8,215,200 | - |
| - | - | 524,904 | 524,904 | - |
| - | - | (4,251,514) | (4,251,514) | - |
| - | - | 788,679 | 788,679 | - |
| 44,344,837 | - | 44,649,325 | 44,649,325 | - |
| $ 62,237,122 | $ (31,493,596) | $ 44,649,325 | $ 13,155,729 | $ - |
| $ - | $ - | $ - | $ - | $ (1,826,960) |
| | 1,744,657 | - | 1,744,657 | 225,231 |
| | 52,468,081 | 2,828,799 | 55,296,880 | - |
| | 10,103,705 | 445,713 | 10,549,418 | - |
| | 6,296,757 | 400,496 | 6,697,253 | - |
| | 2,887,574 | - | 2,887,574 | 157,828 |
| | 1,215,566 | 2,354,651 | 3,570,217 | 28,401 |
| | 198,225 | - | 198,225 | 16,068 |
| | (187,657) | 187,657 | - | - |
| | 74,726,908 | 6,217,316 | 80,944,224 | 427,528 |
| | 43,233,312 | 50,866,641 | 94,099,953 | (1,399,432) |
| | 427,759,219 | 647,382,121 | 1,075,141,340 | 612,491 |
| | - | - | - | (3,568,027) |
| | 427,759,219 | 647,382,121 | 1,075,141,340 | (2,955,536) |
| | $ 470,992,531 | $ 698,248,762 | $ 1,169,241,293 | $ (4,354,968) |

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

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# Fund Financial Statements

# GOVERNMENTAL FUNDS

Major governmental funds include the General Fund and any governmental fund that comprises 10% or more of a total governmental fund classification (assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures) and at least 5% of the combined governmental and enterprise funds total for the same classification.

## MAJOR FUNDS

**General Fund**
The General Fund is the primary operating fund of the Town. This fund accounts for all financial resources of the Town except those required to be accounted for in another fund. There are two sub-funds of the General Fund: Economic Development and Parking. Economic Development is used to facilitate expansion of the tax base, through primary job creation and improved local economy. Parking is used to account for public parking garage maintenance and debt payments related to the Encore Redevelopment Agreement.

**Transportation Fund**
The Transportation Fund is a special revenue fund that accounts for revenue sources, including taxes, intergovernmental and charges for services, that are committed to the furtherance of transportation projects within the Town of Castle Rock, maintenance of existing roads and infrastructure and the overall operations of the public works department.

**Transportation Capital Fund**
The Transportation Capital Fund is a capital projects fund that accounts for the resources and expenditures for the construction of new transportation projects which accommodate growth in the Castle Rock area.

## NON-MAJOR FUNDS

**Other Governmental Funds**
The Other Governmental Funds column is an aggregate of the following non-major governmental funds.

***Special Revenue Funds***
Conservation Trust
Philip S. Miller Trust
Public Art
Police Forfeiture
Downtown Development Authority TIF
Castle Rock Urban Renewal Authority

***Capital Project Funds***
Parks and Recreation Capital
Municipal Facilities Capital
Fire Capital
Police Capital
General Long Term Planning

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2020

| | General | Transportation | Transportation Capital | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 15,637,216 | $ 11,493,886 | $ 11,924,486 | $ 15,021,803 | $ 54,077,391 |
| Investments | 16,199,104 | 6,154,560 | 6,630,276 | 4,633,573 | 33,617,513 |
| Restricted cash and cash equivalents | 10,557,738 | - | - | - | 10,557,738 |
| Cash held in Escrow | - | - | - | 4,166,457 | 4,166,457 |
| Receivables | | | | | |
| Property taxes | 1,405,352 | - | - | - | 1,405,352 |
| Sales taxes | 5,256,903 | 1,813,242 | - | - | 7,070,145 |
| Accounts, net of allowance of $252,779 | 3,677,522 | 1,201,935 | 1,757,724 | 23,136 | 6,660,317 |
| Prepaid items | 553,359 | 74,022 | - | 2,986 | 630,367 |
| Advance to other funds | 196,298 | - | - | - | 196,298 |
| Loans to other funds | 3,352,181 | - | - | 176,895 | 3,529,076 |
| Total assets | $ 56,835,673 | $ 20,737,645 | $ 20,312,486 | $ 24,024,850 | $ 121,910,654 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | | |
| Liabilities | | | | | |
| Accounts payable | $ 2,045,469 | $ 1,367,825 | $ 1,392,273 | $ 381,373 | $ 5,186,940 |
| Accounts payable from restricted assets | 800,000 | - | - | - | 800,000 |
| Retainage payable | - | 57,460 | 430,496 | 10,203 | 498,159 |
| Due to component unit | - | - | - | 150,329 | 150,329 |
| Line of credit | - | - | - | 782,327 | 782,327 |
| Deposits | 3,080,710 | - | - | - | 3,080,710 |
| Unearned revenues | 1,103,207 | 4,343,194 | - | 4,206,457 | 9,652,858 |
| Advance from other funds | - | - | - | 196,298 | 196,298 |
| Loans from other funds | 1,113,665 | - | - | 3,028,261 | 4,141,926 |
| Total liabilities | 8,143,051 | 5,768,479 | 1,822,769 | 8,755,248 | 24,489,547 |
| Deferred inflows of resources | | | | | |
| Property taxes | 1,405,352 | - | - | - | 1,405,352 |
| Sales taxes | 293,578 | 102,161 | - | - | 395,739 |
| Unavailable fund resources | 4,500 | - | 1,721,988 | - | 1,726,488 |
| Total liabilities and deferred inflows of resources | 9,846,481 | 5,870,640 | 3,544,757 | 8,755,248 | 28,017,126 |
| Fund balances | | | | | |
| Nonspendable | 3,451,699 | 74,022 | - | 2,986 | 3,528,707 |
| Restricted | 11,881,852 | - | 16,767,729 | 9,864,494 | 38,514,075 |
| Committed | 7,475,925 | 14,792,983 | - | 6,332,152 | 28,601,060 |
| Assigned | 3,077,600 | - | - | - | 3,077,600 |
| Unassigned | 21,102,116 | - | - | (930,030) | 20,172,086 |
| Total fund balances | 46,989,192 | 14,867,005 | 16,767,729 | 15,269,602 | 93,893,528 |
| Total liabilities, deferred inflows of resources and fund balances | $ 56,835,673 | $ 20,737,645 | $ 20,312,486 | $ 24,024,850 | $ 121,910,654 |

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

TOWN OF CASTLE ROCK, COLORADO

## RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2020

| | |
|---|---|
| Total governmental funds - fund balances | $ 93,893,528 |
| **Amounts reported for governmental activities in the Statement of Net Position are different from governmental fund balances because:** | |
| Net capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Less $8,473,059 internal service fund capital assets. | 404,089,631 |
| Net pension assets do not represent current financial resources available to pay current period expenditures and therefore are not reported in the funds. | 550,949 |
| Long-term receivables related to regulatary activities do not provide current financial resources until received and therefore are not recorded in the funds. | 1,081,950 |
| Internal service funds are used by management to charge the costs of insurance, employee benefits, vehicle replacement, and other activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, net of the amount allocated to business-type activities. | 15,423,664 |
| Deferred outflows of resources, related to the loss on refundings is amortized over future reporting periods and is not recorded in the funds. | 845,913 |
| Deferred outflows of resources of $4,123,114 and inflows of resources of ($958,030), related to pension activity, that represent acquisition or consumption of net position that applies to future reporting periods and therefore are not reported in the funds. | 3,165,084 |
| Revenues associated with long-term receivables related to regulatory activities are not recognized in the fund statements until expended for the intended purpose. These revenues are reported as deferred inflows of resources in the governmental statement of net position. | (1,081,950) |
| Long-term liabilities, including bonds payable, capital leases, compensated absences and accrued interest payable are not due and payable in the current period and therefore are not reported in the governmental funds. | (48,894,728) |
| Net pension liabilities are not due and payable in the current period and therefore not reported in the funds. | (203,737) |
| Deferred inflows of resources related to unavailable fund resources are recognized as revenue in the Town-wide financial statements. | 2,122,227 |
| Net position of the governmental activities | $ 470,992,531 |

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

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2020

| | General | Transportation | Transportation Capital | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|
| **REVENUES** | | | | | |
| Taxes | | | | | |
| Property | $ 1,332,644 | $ - | $ - | $ 412,013 | $ 1,744,657 |
| Sales | 37,579,999 | 13,077,347 | - | 1,414,996 | 52,072,342 |
| Use | 1,881,788 | 3,507,004 | 2,651,060 | 2,063,853 | 10,103,705 |
| Motor vehicle | 4,082,645 | 2,214,112 | - | - | 6,296,757 |
| Other taxes | 2,887,574 | - | - | - | 2,887,574 |
| Charges for services | 2,207,948 | 118 | - | 60,269 | 2,268,335 |
| Development impact fees | - | - | 12,479,450 | 9,416,518 | 21,895,968 |
| Management fees | 4,308,917 | - | - | - | 4,308,917 |
| Licenses and permits | 145,959 | - | - | 118,733 | 264,692 |
| Fines and forfeitures | 270,019 | - | - | - | 270,019 |
| Investment earnings | 553,659 | 168,803 | 247,638 | 159,138 | 1,129,238 |
| Intergovernmental | 3,536,158 | 7,447,683 | 725,571 | 603,739 | 12,313,151 |
| Contributions and donations | 81,969 | 161,476 | - | 313,085 | 556,530 |
| Other | 666,895 | 26,655 | 19,797 | 4,635 | 717,982 |
| Total revenues | 59,536,174 | 26,603,198 | 16,123,516 | 14,566,979 | 116,829,867 |
| **EXPENDITURES** | | | | | |
| Current | | | | | |
| General government | 15,709,194 | - | - | 2,441,075 | 18,150,269 |
| Public safety | 29,459,567 | - | - | 716 | 29,460,283 |
| Public works | - | 17,596,280 | - | - | 17,596,280 |
| Culture and recreation | 4,103,913 | - | - | 903,240 | 5,007,153 |
| Capital outlay | 1,827,051 | 1,069,323 | 9,482,749 | 991,612 | 13,370,735 |
| Debt service | | | | | |
| Principal | - | 635,000 | 510,000 | 385,000 | 1,530,000 |
| Interest | - | 267,325 | 725,468 | 323,813 | 1,316,606 |
| Agency fees | - | 300 | 300 | 2,000 | 2,600 |
| Debt issue costs | 194,979 | - | 193,532 | - | 388,511 |
| Total expenditures | 51,294,704 | 19,568,228 | 10,912,049 | 5,047,456 | 86,822,437 |
| Excess (deficiency) of revenues over (under) expenditures | 8,241,470 | 7,034,970 | 5,211,467 | 9,519,523 | 30,007,430 |
| **OTHER FINANCING SOURCES (USES)** | | | | | |
| Issuance of debt | 8,485,000 | - | 18,550,000 | - | 27,035,000 |
| Issuance of COP premium | 1,467,716 | - | - | - | 1,467,716 |
| Issuance of refunding bond discount | - | - | (16,747) | - | (16,747) |
| Transfers in | 2,202,748 | - | - | 1,181,753 | 3,384,501 |
| Payment to refunded bonds escrow agent | - | - | (18,452,327) | - | (18,452,327) |
| Transfers out | (2,954,662) | (607,754) | - | (209,989) | (3,772,405) |
| Total other financing sources (uses) | 9,200,802 | (607,754) | 80,926 | 971,764 | 9,645,738 |
| Net change in fund balances | 17,442,272 | 6,427,216 | 5,292,393 | 10,491,287 | 39,653,168 |
| Fund balances - January 1 | 29,546,920 | 8,439,789 | 11,475,336 | 4,778,315 | 54,240,360 |
| Fund balances - December 31 | $ 46,989,192 | $ 14,867,005 | $ 16,767,729 | $ 15,269,602 | $ 93,893,528 |

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

TOWN OF CASTLE ROCK, COLORADO

## RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2020

| | | |
|---|---|---|
| Net change in fund balances total government funds | $ | 39,653,168 |
| **Amounts reported for governmental activities in the statement of activities are different because:** | | |
| Governmental funds report capital outlay $13,370,735 as an expenditure while in the statement of activities the cost of those assets are capitalized and allocated over the estimated useful lives and reported as depreciation expense ($18,281,209). This amount is the net difference between capital outlay and depreciation reported in the current period, less depreciation related to internal service funds. | | (4,910,474) |
| Contributed assets do not require the use of current financial resources of governmental funds, but are treated as revenues in the statement of activities. In 2020 the Town received capital assets for streets (public works) valued at $10,342,714, land and easements (culture and recreation) valued at $7,253,817. | | 17,596,531 |
| Loss on disposal of capital assets do not require the use of current financial resources of the governmental funds, but are treated as program expenses in the statement of activities. The Town reported losses on the disposal of general government capital assets with net book value $75,445. | | (75,445) |
| The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt. | | (9,006,564) |
| Internal service funds are used by management to charge the costs of insurance and employee benefits to individual funds, and to provide vehicle repair, maintenance and replacement. The net revenue (expenditures) of the internal service funds is reported with the governmental activities, net of the amount allocated to business-type activities. | | (511,526) |
| Pension related expense reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the funds. | | 169,055 |
| Deferred inflows of resources related to unavailable fund resources are not recognized as revenue in the governmental funds. | | 318,567 |
| Change in net position of governmental activities | $ | 43,233,312 |

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

# PROPRIETARY FUNDS

Major proprietary funds are enterprise funds that comprise 10% or more of a total enterprise fund classification (assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures) and at least 5% of the combined governmental and enterprise funds total for the same classification. The Town has elected to show all enterprise funds as Major Funds.

Enterprise funds account for operations that are financed and operated in a manner similar to private business where costs are predominantly supported by user charges or where management has decided periodic determination of revenues, expenses and / or changes in net position is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

## MAJOR FUNDS

**Water Fund**
The Water Fund accounts for activities related to water well development and extraction, water treatment, water transportation systems and for the repair and maintenance of such facilities.

**Water Resources Fund**
The Water Resources Fund accounts for the Town's activities related to the analysis and measurement of the long-term water needs of the Town including conservation promotion and the development and maintenance of ground water and renewable water sources.

**Stormwater Fund**
The Stormwater Fund accounts for the development, operation and maintenance of infrastructure related to storm water run-off including storm sewers, detention ponds and other drainage ways within the Town.

**Wastewater Fund**
The Wastewater Fund accounts for the development and operation of activities related to the collection and treatment of wastewater.

**Golf Fund**
The Golf Fund accounts for the activities related to the construction, operation and maintenance of the Town owned golf course, Red Hawk Ridge, at Castle Rock.

**Community Center Fund**
The Community Center Fund accounts for the Town's recreational facilities including a recreation center, the Miller Activity Center, two outdoor pools, inline skating rinks, multi-purpose ball fields, and a skateboard park. This fund also accounts for recreational and child care programs.

**Development Services Fund**
The Development Services Fund accounts for revenues and expenses related to community development within the Town. Primary revenues are from user fees to include building and electrical permits, plan reviews and inspections.

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TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2020

| | Water | Water Resources | Stormwater | Wastewater |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Current Assets | | | | |
| Cash and cash equivalents | $ 13,305,596 | $ 4,798,998 | $ 3,868,234 | $ 7,578,976 |
| Investments | 11,657,339 | 40,409,735 | 6,943,277 | 5,229,774 |
| Restricted cash and cash equivalents | - | - | 4,489,168 | - |
| Receivables | 1,281,335 | 1,559,650 | 330,120 | 1,105,523 |
| Prepaid items | 57,681 | 37,112 | 35,495 | 29,957 |
| Inventory | - | - | - | - |
| Total current assets | 26,301,951 | 46,805,495 | 15,666,294 | 13,944,230 |
| Non-current Assets | | | | |
| Capital assets | | | | |
| Land | 2,075,814 | 9,316,709 | 850,729 | 947,834 |
| Easements | 2,686,531 | 1,847,603 | 8,530,826 | 859,882 |
| Right of way | 28,024 | - | 216,445 | - |
| Water rights | 87,720,770 | 83,196,479 | - | - |
| Construction in progress | 6,775,955 | 99,638,479 | 5,627,870 | 375,537 |
| Buildings and improvements | 3,089,307 | 18,588,063 | 820,924 | 2,441,379 |
| Infrastructure | 217,434,892 | 53,577,648 | 83,739,312 | 95,583,803 |
| Machinery and equipment | 3,361,375 | 1,331,761 | 144,804 | 976,661 |
| Other structures and improvements | 2,140,712 | 904,056 | 710,970 | 1,176,941 |
| Accumulated depreciation | (116,124,900) | (7,502,452) | (19,812,168) | (35,759,162) |
| Total capital assets (net of accumulated depreciation) | 209,188,480 | 260,898,346 | 80,829,712 | 66,602,875 |
| Investment in joint venture | - | - | - | 28,762,647 |
| Loans to other funds | - | 1,113,665 | - | - |
| Total non-current assets | 209,188,480 | 262,012,011 | 80,829,712 | 95,365,522 |
| Total assets | 235,490,431 | 308,817,506 | 96,496,006 | 109,309,752 |
| **DEFERRED OUTFLOWS OF RESOURCES** | | | | |
| Loss on refundings | 294,236 | - | - | 59,951 |
| **LIABILITIES** | | | | |
| Current liabilities | | | | |
| Accounts payable | 1,083,551 | 2,013,677 | 404,070 | 575,880 |
| Retainage payable | 474,956 | 700,010 | 43,824 | 20,345 |
| Accrued interest payable | 22,899 | 143,915 | 71,440 | 3,305 |
| Deposits | 155,065 | - | - | - |
| Revenue bonds payable-current | 1,466,000 | 2,015,000 | - | 294,000 |
| Leases payable-current | - | - | - | - |
| Accrued leave-current | 321,279 | 35,994 | 72,906 | 26,701 |
| Unearned revenues | 358,097 | - | 16,205 | 159,672 |
| Total current liabilities | 3,881,847 | 4,908,596 | 608,445 | 1,079,903 |
| Non-current liabilities | | | | |
| Revenue bonds net of unamortized premiums (discounts) | 5,518,845 | 45,731,069 | - | 696,118 |
| Notes payable | - | - | 9,000,000 | - |
| Leases payable | - | - | - | - |
| Accrued leave | 453,583 | 50,916 | 77,564 | 161 |
| Loans from other funds | - | - | - | - |
| Total non-current liabilities | 5,972,428 | 45,781,985 | 9,077,564 | 696,279 |
| Total liabilities | 9,854,275 | 50,690,581 | 9,686,009 | 1,776,182 |
| **NET POSITION** | | | | |
| Net investment in capital assets | 201,421,471 | 210,903,005 | 76,040,259 | 65,635,333 |
| Unrestricted | 24,508,921 | 47,223,920 | 10,769,738 | 41,958,188 |
| Total net position | $ 225,930,392 | $ 258,126,925 | $ 86,809,997 | $ 107,593,521 |

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

| Golf | Community Center | Development Services | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|---|---|---|---|---|
| $ 1,115,982 | $ 327,127 | $ 1,708,697 | $ 32,703,610 | $ 4,827,783 |
| 431,166 | 527,682 | 3,395,145 | 68,594,118 | 2,266,286 |
| 500,815 | - | - | 4,989,983 | - |
| 5,728 | 483,990 | 50,403 | 4,816,749 | 62,705 |
| 20,166 | 24,631 | 112,154 | 317,196 | 7,978 |
| 83,677 | - | - | 83,677 | - |
| 2,157,534 | 1,363,430 | 5,266,399 | 111,505,333 | 7,164,752 |
| 5,412,479 | 181,965 | - | 18,785,530 | - |
| - | - | 6,100 | 13,930,942 | - |
| - | - | - | 244,469 | - |
| - | - | - | 170,917,249 | - |
| - | - | - | 112,417,841 | 5,620 |
| 2,207,364 | 8,167,414 | 5,197,794 | 40,512,245 | 43,590 |
| - | - | - | 450,335,655 | - |
| 1,288,014 | 1,046,144 | 53,438 | 8,202,197 | 26,426,297 |
| 869,366 | 1,192,081 | - | 6,994,126 | - |
| (2,355,366) | (5,676,037) | (526,209) | (187,756,294) | (18,002,448) |
| 7,421,857 | 4,911,567 | 4,731,123 | 634,583,960 | 8,473,059 |
| - | - | - | 28,762,647 | - |
| - | - | - | 1,113,665 | - |
| 7,421,857 | 4,911,567 | 4,731,123 | 664,460,272 | 8,473,059 |
| 9,579,391 | 6,274,997 | 9,997,522 | 775,965,605 | 15,637,811 |
| 263,087 | - | - | 617,274 | - |
| 146,440 | 122,983 | 138,719 | 4,485,320 | 716,969 |
| - | - | - | 1,239,135 | - |
| 9,072 | - | - | 250,631 | - |
| 30,122 | 8,700 | 11,890 | 205,777 | - |
| 410,000 | - | - | 4,185,000 | - |
| 132,613 | - | - | 132,613 | - |
| 50,327 | 51,112 | 201,847 | 760,166 | 54,258 |
| 63,197 | 1,972 | - | 599,143 | 639,534 |
| 841,771 | 184,767 | 352,456 | 11,857,785 | 1,410,761 |
| 2,715,000 | - | - | 54,661,032 | - |
| - | - | - | 9,000,000 | - |
| 110,776 | - | - | 110,776 | - |
| 112,224 | 181,985 | 115,165 | 991,598 | 15,497 |
| 500,815 | - | - | 500,815 | - |
| 3,438,815 | 181,985 | 115,165 | 65,264,221 | 15,497 |
| 4,280,586 | 366,752 | 467,621 | 77,122,006 | 1,426,258 |
| 4,272,850 | 4,911,567 | 4,731,123 | 567,915,608 | 8,453,447 |
| 1,289,042 | 996,678 | 4,798,778 | 131,545,265 | 5,758,106 |
| $ 5,561,892 | $ 5,908,245 | $ 9,529,901 | $ 699,460,873 | $ 14,211,553 |

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

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION
TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2020

| | | |
|---|---|---|
| Total enterprise net position | $ | 699,460,873 |
| **Amounts reported for business-type activities in the Statement of Net Position are different from the enterprise funds Net Position because:** | | |
| Internal balances between the governmental activities and the business-type activities result from the allocation of the internal service funds profit / loss that are attributable to the business-type activities: water, water resources, stormwater, wastewater, golf, community center and development services. | | (1,212,111) |
| Net position of the business-type activities | $ | 698,248,762 |

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

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TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Water | Water Resources | Stormwater | Wastewater |
|---|---|---|---|---|
| **OPERATING REVENUES** | | | | |
| Charges for services | $ 17,653,537 | $ 10,426,445 | $ 3,697,567 | $ 11,147,387 |
| Fines and forfeitures | 71,361 | 198,842 | - | 47 |
| Intergovernmental | 699,387 | 239,776 | 4,717 | 5,243 |
| Other | 1,133,631 | 2,545,653 | 83,283 | 118,955 |
| Total operating revenues | 19,557,916 | 13,410,716 | 3,785,567 | 11,271,632 |
| **OPERATING EXPENSES** | | | | |
| Cost of sales and services | - | - | - | - |
| Operations | 12,113,736 | 8,145,054 | 2,536,309 | 7,666,995 |
| Depreciation | 6,249,405 | 1,374,916 | 2,127,127 | 2,576,038 |
| Total operating expenses | 18,363,141 | 9,519,970 | 4,663,436 | 10,243,033 |
| Operating income (loss) | 1,194,775 | 3,890,746 | (877,869) | 1,028,599 |
| **NON-OPERATING REVENUES (EXPENSES)** | | | | |
| Taxes | - | - | - | - |
| Investment earnings | 415,873 | 1,649,185 | 106,323 | 40,638 |
| Gain (loss) on disposal of capital assets | (16,234) | (767) | (405) | - |
| Interest expense | (252,777) | (1,264,205) | (107,440) | (42,404) |
| Agency and other fees | (552) | (300) | - | (48) |
| Net income (loss) from joint venture | - | - | - | 277,143 |
| Total non-operating revenues (expenses) | 146,310 | 383,913 | (1,522) | 275,329 |
| Net income (loss) before contributions and transfers | 1,341,085 | 4,274,659 | (879,391) | 1,303,928 |
| **CONTRIBUTIONS AND TRANSFERS** | | | | |
| System development fees | 3,545,958 | 18,940,568 | 1,508,574 | 3,565,122 |
| Capital asset contributions | 4,858,089 | 874,900 | 7,511,755 | 3,539,871 |
| Transfers in | - | 1,876,097 | 193,000 | - |
| Transfers out | (1,873,928) | - | - | - |
| Total contributions and transfers | 6,530,119 | 21,691,565 | 9,213,329 | 7,104,993 |
| Change in fund net position | 7,871,204 | 25,966,224 | 8,333,938 | 8,408,921 |
| Total net position - January 1 | 218,059,188 | 232,160,701 | 78,476,059 | 99,184,600 |
| Total net position - December 31 | $ 225,930,392 | $ 258,126,925 | $ 86,809,997 | $ 107,593,521 |

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

| Golf | Community Center | Development Services | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|---|---|---|---|---|
| $ 3,606,046 | $ 1,920,292 | $ 7,511,584 | $ 55,962,858 | $ 9,993,913 |
| - | - | - | 270,250 | - |
| 20,076 | 35,474 | 54,923 | 1,059,596 | 6,610 |
| 3,073 | 6,727 | 1,229 | 3,892,551 | 1,763,414 |
| 3,629,195 | 1,962,493 | 7,567,736 | 61,185,255 | 11,763,937 |
| - | - | - | - | 10,295,819 |
| 2,685,504 | 5,891,051 | 6,573,013 | 45,611,662 | - |
| 272,732 | 334,678 | 133,094 | 13,067,990 | 3,068,586 |
| 2,958,236 | 6,225,729 | 6,706,107 | 58,679,652 | 13,364,405 |
| 670,959 | (4,263,236) | 861,629 | 2,505,603 | (1,600,468) |
| - | 3,675,008 | - | 3,675,008 | - |
| 12,017 | 23,225 | 107,390 | 2,354,651 | 86,328 |
| - | - | - | (17,406) | 162,143 |
| (152,602) | - | - | (1,819,428) | - |
| (300) | - | - | (1,200) | - |
| - | - | - | 277,143 | - |
| (140,885) | 3,698,233 | 107,390 | 4,468,768 | 248,471 |
| 530,074 | (565,003) | 969,019 | 6,974,371 | (1,351,997) |
| - | - | - | 27,560,222 | - |
| - | - | - | 16,784,615 | - |
| 80,000 | - | - | 2,149,097 | 200,247 |
| (7,512) | (80,000) | - | (1,961,440) | - |
| 72,488 | (80,000) | - | 44,532,494 | 200,247 |
| 602,562 | (645,003) | 969,019 | 51,506,865 | (1,151,750) |
| 4,959,330 | 6,553,248 | 8,560,882 | 647,954,008 | 15,363,303 |
| $ 5,561,892 | $ 5,908,245 | $ 9,529,901 | $ 699,460,873 | $ 14,211,553 |

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

TOWN OF CASTLE ROCK, COLORADO

## RECONCILIATION OF THE ENTERPRISE FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2020

| | | |
|---|---|---|
| Change in net position total enterprise funds | $ | 51,506,865 |
| **Amounts reported for business-type activities in the statement of activities are different because:** | | |
| Internal balances between the governmental activities and the business-type activities result from the allocation of the internal service funds profit / loss that are attributable to the business-type activities: water, water resources, stormwater, wastewater, golf, community center and development services. | | (640,224) |
| Changes in net position of business-type activities | $ | 50,866,641 |

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

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TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Water | Water Resources | Stormwater | Wastewater |
|---|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | | |
| Receipts from customers and users | $ 19,145,309 | $ 13,142,312 | $ 3,746,163 | $ 11,172,730 |
| Receipts from interfund services provided | - | - | - | - |
| Payments to suppliers | (7,839,514) | (5,628,898) | (703,627) | (7,379,420) |
| Payments to employees | (3,866,919) | (2,220,032) | (1,726,769) | (1,523,454) |
| Net cash provided by (used in) operating activities | 7,438,876 | 5,293,382 | 1,315,767 | 2,269,856 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | | | |
| Cash transfers in | - | 1,876,097 | 193,000 | - |
| Cash transfers out | (1,873,928) | - | - | - |
| Receipts from taxes | - | - | - | - |
| Net cash provided by (used in) non-capital financing activities | (1,873,928) | 1,876,097 | 193,000 | - |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | | |
| System development fees | 3,545,958 | 18,940,568 | 1,508,574 | 3,565,122 |
| Interfund loans | - | 154,582 | - | - |
| Acquisition of capital assets | (6,538,365) | (40,203,065) | (5,229,760) | (585,250) |
| Principal paid on bonds and cops payable | (1,421,800) | (1,925,000) | - | (283,200) |
| Interest paid on bonds and cops payable | (312,194) | (1,803,974) | (38,880) | (48,156) |
| Principal paid on lease purchase agreements | - | - | - | - |
| Interest paid on lease purchase agreements | - | - | - | - |
| Bond issue costs and agency fees | (552) | (300) | - | (48) |
| Issuance of capital debt | - | - | 4,500,000 | - |
| Proceeds from sale of capital assets | 1,593,400 | - | - | - |
| Net cash provided by (used in) capital and related financing activities | (3,133,553) | (24,837,189) | 739,934 | 2,648,468 |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | | |
| Investment earnings | 299,472 | 1,076,268 | 104,759 | 56,184 |
| Decrease (increase) in equity in pooled investments | (247,175) | 8,932,635 | (4,063,003) | (4,026,672) |
| Net cash provided by (used in) investing activities | 52,297 | 10,008,903 | (3,958,244) | (3,970,488) |
| Net increase (decrease) in cash and cash equivalents | 2,483,692 | (7,658,807) | (1,709,543) | 947,836 |
| Cash and cash equivalents - January 1 | 10,821,904 | 12,457,805 | 10,066,945 | 6,631,140 |
| Cash and cash equivalents - December 31 | $ 13,305,596 | $ 4,798,998 | $ 8,357,402 | $ 7,578,976 |
| **RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION** | | | | |
| Unrestricted cash and cash equivalents | $ 13,305,596 | $ 4,798,998 | $ 3,868,234 | $ 7,578,976 |
| Restricted cash and cash equivalents | - | - | 4,489,168 | - |
| Total cash and cash equivalents | $ 13,305,596 | $ 4,798,998 | $ 8,357,402 | $ 7,578,976 |

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

| Golf | Community Center | Development Services | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|---|---|---|---|---|
| $ 3,651,176 | $ 1,843,476 | $ 7,532,551 | $ 60,233,717 | $ 1,825,703 |
| - | - | - | - | 9,993,913 |
| (1,226,003) | (2,721,260) | (1,423,632) | (26,922,354) | (9,395,803) |
| (1,398,665) | (3,208,097) | (5,266,249) | (19,210,185) | (872,228) |
| 1,026,508 | (4,085,881) | 842,670 | 14,101,178 | 1,551,585 |
| 80,000 | - | - | 2,149,097 | 200,247 |
| (7,512) | (80,000) | - | (1,961,440) | - |
| - | 3,675,008 | - | 3,675,008 | - |
| 72,488 | 3,595,008 | - | 3,862,665 | 200,247 |
| - | - | - | 27,560,222 | - |
| - | - | - | 154,582 | - |
| - | (462,498) | - | (53,018,938) | (1,590,115) |
| (400,000) | - | - | (4,030,000) | - |
| (100,814) | - | - | (2,304,018) | - |
| (164,052) | - | - | (164,052) | - |
| (15,233) | - | - | (15,233) | - |
| (300) | - | - | (1,200) | - |
| - | - | - | 4,500,000 | - |
| - | - | - | 1,593,400 | 123,986 |
| (680,399) | (462,498) | - | (25,725,237) | (1,466,129) |
| 9,709 | 15,959 | 73,489 | 1,635,840 | 63,698 |
| (204,901) | 184,571 | (71,989) | 503,466 | (48,052) |
| (195,192) | 200,530 | 1,500 | 2,139,306 | 15,646 |
| 223,405 | (752,841) | 844,170 | (5,622,088) | 301,349 |
| 1,393,392 | 1,079,968 | 864,527 | 43,315,681 | 4,526,434 |
| $ 1,616,797 | $ 327,127 | $ 1,708,697 | $ 37,693,593 | $ 4,827,783 |
| $ 1,115,982 | $ 327,127 | $ 1,708,697 | $ 32,703,610 | $ 4,827,783 |
| 500,815 | - | - | 4,989,983 | - |
| $ 1,616,797 | $ 327,127 | $ 1,708,697 | $ 37,693,593 | $ 4,827,783 |

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

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Water | Water Resources | Stormwater | Wastewater |
|---|---|---|---|---|
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES** | | | | |
| Operating income (loss) | $ 1,194,775 | $ 3,890,746 | $ (877,869) | $ 1,028,599 |
| **Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities** | | | | |
| Depreciation | 6,249,405 | 1,374,916 | 2,127,127 | 2,576,038 |
| Changes in operating assets and liabilities | | | | |
| (Increase) decrease in assets | | | | |
| Accounts receivable | (450,700) | (268,404) | (37,089) | (65,119) |
| Prepaid items | 379,934 | 240,617 | (4,197) | (1,581) |
| Inventory | - | - | - | - |
| Equity in joint venture | - | - | - | (1,056,612) |
| Increase (decrease) in liabilities | | | | |
| Accounts payable | (118,711) | 33,658 | 89,398 | (182,368) |
| Accrued leave | 146,082 | 21,849 | 20,712 | 4,681 |
| Unearned revenue | 59,551 | - | (2,315) | (33,782) |
| Deposits | (21,460) | - | - | - |
| Total adjustments | 6,244,101 | 1,402,636 | 2,193,636 | 1,241,257 |
| Net cash provided by (used in) operating activities | $ 7,438,876 | $ 5,293,382 | $ 1,315,767 | $ 2,269,856 |
| **NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES** | | | | |
| Contributed infrastructure | $ 4,858,089 | $ 874,900 | $ 7,511,755 | $ 3,539,871 |
| Equity in joint venture | - | - | - | 277,143 |
| Payables incurred for purchase of capital assets | (1,076,399) | (2,249,272) | (278,621) | (37,376) |
| Amortization of premium, discount and deferred loss on refunding | (56,300) | (533,353) | - | (5,045) |
| Increase (decrease) in fair value of investments | 116,401 | 572,917 | 1,564 | (15,546) |
| **Noncash investing, capital and financing activities** | $ 3,841,791 | $ (1,334,808) | $ 7,234,698 | $ 3,759,047 |

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

| Golf | Community Center | Development Services | Total Enterprise Funds | Governmental Activities Internal Service Funds |
|---|---|---|---|---|
| $ 670,959 | $ (4,263,236) | $ 861,629 | $ 2,505,603 | $ (1,600,468) |
| 272,732 | 334,678 | 133,094 | 13,067,990 | 3,068,586 |
| (3,362) | (119,317) | (35,184) | (979,175) | 5,862 |
| 10,932 | 5,333 | (48,283) | 582,755 | (367) |
| (10,566) | - | - | (10,566) | - |
| - | - | - | (1,056,612) | - |
| 47,052 | (108,439) | (103,774) | (343,184) | 22,317 |
| 13,417 | 64,800 | 35,188 | 306,729 | 5,836 |
| (3,665) | - | - | 19,789 | 49,819 |
| 29,009 | 300 | - | 7,849 | - |
| 355,549 | 177,355 | (18,959) | 11,595,575 | 3,152,053 |
| $ 1,026,508 | $ (4,085,881) | $ 842,670 | $ 14,101,178 | $ 1,551,585 |
| $ - | $ - | $ - | $ 16,784,615 | $ - |
| - | - | - | 277,143 | - |
| (43,705) | - | - | (3,685,373) | (19,612) |
| 38,267 | - | - | (556,431) | - |
| 2,308 | 7,266 | 33,901 | 718,811 | 22,630 |
| $ (3,130) | $ 7,266 | $ 33,901 | $ 13,538,765 | $ 3,018 |

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

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# FIDUCIARY FUNDS

Fiduciary funds account for assets held on behalf of outside parties, including individuals, organizations and other governments. Fiduciary funds are not reflected in the Town-wide financial statements because the assets of those funds are not available to support Town programs or operations.

## PENSION TRUST FUNDS

Pension trust funds account for the activities and accumulation of resources to pay retirement benefits for employees.

**FPPA Fire Volunteers Pension Fund**
The FPPA Fire Volunteers Pension Fund is a pension trust fund used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future.

## CUSTODIAL FUNDS

Custodial funds are used to report fiduciary activities that are not held in a trust or equivalent arrangement for individuals, organizations and other governments. The Custodial Funds column is an aggregate of the following funds.

***Custodial Funds***
Add-On PIF Fund
Special District Fee Fund
Use Tax Fund
Authority Development Fee Fund

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2020

| | Pension Trust Fund | Custodial Funds |
|---|---|---|
| **ASSETS** | | |
| Cash and cash equivalents | $ - | $ 281,910 |
| Affiliated local plan pool | 973,762 | - |
| Total assets | 973,762 | 281,910 |
| **LIABILITIES** | | |
| Accounts payable | - | 500 |
| Due to organizations and other governments | - | 281,410 |
| Total liabilities | - | 281,910 |
| **NET POSITION** | | |
| Restricted for: | | |
| Pensions | 973,762 | - |
| Total net position | $ 973,762 | $ - |

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

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Pension Trust Fund | Custodial Funds |
|---|---|---|
| **ADDITIONS** | | |
| Contributions: | | |
| Town of Castle Rock | $ 20,440 | $ - |
| State funding | 17,635 | - |
| Total contributions | 38,075 | - |
| Investment earnings | 120,740 | - |
| Less investment expense | (11,906) | - |
| Net investment earnings | 108,834 | - |
| Fee and permit collections for organizations and other governments | - | 1,107,694 |
| Tax collections for other governments | - | 1,705,233 |
| Total additions | 146,909 | 2,812,927 |
| **DEDUCTIONS** | | |
| Benefits paid to participants or beneficiaries | 112,590 | - |
| Payments of fees and permits to organizations and other governments | - | 1,105,955 |
| Payments of taxes to other governments | - | 1,699,233 |
| Administrative expense | - | 7,739 |
| Total deductions | 112,590 | 2,812,927 |
| Net increase in fiduciary net position | 34,319 | - |
| Net position - January 1 - as previously reported | - | - |
| Change in accounting principle | 939,443 | - |
| Net position - January 1 - as restated | 939,443 | - |
| Net position - December 31 | $ 973,762 | $ - |

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

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# COMPONENT UNITS

Component units are legally separate organizations for which the Town is considered financially accountable or whose exclusion would make the Town's financial statements misleading or incomplete.

**Castle Rock Downtown Development Authority (CRDDA)**
The Castle Rock Downtown Development Authority (CRDDA), a discretely presented component unit, accounts for activities related to financing, constructing and operating various public improvements in downtown Castle Rock.

**Miller's Landing Business Improvement District (BID)**
The Miller's Landing Business Improvement District (BID), a discretely presented component unit, accounts for activities related to business improvements within the District's service area.

TOWN OF CASTLE ROCK, COLORADO

COMPONENT UNITS
STATEMENT OF NET POSITION
DECEMBER 31, 2020

| | Castle Rock Downtown Development Authority | Miller's Landing Business Improvement District | Total |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | $ 642,864 | $ 56,301 | $ 699,165 |
| Restricted cash and cash equivalents | - | 5,874,378 | 5,874,378 |
| Due from primary government | - | 150,329 | 150,329 |
| Receivables | | | |
| Property taxes | 175,858 | 15,667 | 191,525 |
| Other | - | 672 | 672 |
| Prepaid items | 15,884 | | 15,884 |
| Capital assets | | | |
| Construction in progress | - | 12,431,796 | 12,431,796 |
| Buildings and improvements | 227,596 | - | 227,596 |
| Machinery and equipment | 146,563 | - | 146,563 |
| Accumulated depreciation | (281,541) | - | (281,541) |
| Total assets | 927,224 | 18,529,143 | 19,456,367 |
| **LIABILITIES** | | | |
| Accounts payable | 1,675 | - | 1,675 |
| Retainage payable | - | 283,533 | 283,533 |
| Accrued liabilities | 32,998 | 662,748 | 695,746 |
| *Noncurrent liabilities:* | | | |
| Due beyond one year | - | 22,627,523 | 22,627,523 |
| Total liabilities | 34,673 | 23,573,804 | 23,608,477 |
| **DEFERRED INFLOWS OF RESOURCES** | | | |
| Sponsorships | 11,333 | - | 11,333 |
| Property tax | 175,858 | 15,667 | 191,525 |
| Total deferred inflows of resources | 187,191 | 15,667 | 202,858 |
| **NET POSITION** | | | |
| Net investment in capital assets | 92,618 | (4,321,349) | (4,228,731) |
| Restricted for emergency reserves | - | 884 | 884 |
| Restricted for debt service | - | 2,660,549 | 2,660,549 |
| Restricted for other purposes | 9,000 | - | 9,000 |
| Unrestricted (deficit) | 603,742 | (3,400,412) | (2,796,670) |
| Total net position (deficit) | $ 705,360 | $ (5,060,328) | $ (4,354,968) |

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

TOWN OF CASTLE ROCK, COLORADO

COMPONENT UNITS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Castle Rock Downtown Development Authority | Miller's Landing Business Improvement District | Total |
|---|---|---|---|
| **EXPENSES** | $ 452,751 | $ 1,694,741 | $ 2,147,492 |
| **PROGRAM REVENUES** | | | |
| Charges for services | 123,336 | - | 123,336 |
| Sponsorships | 18,970 | - | 18,970 |
| Grants and donations | 178,226 | - | 178,226 |
| Total program revenues | 320,532 | - | 320,532 |
| Net expenses | (132,219) | (1,694,741) | (1,826,960) |
| **GENERAL REVENUES** | | | |
| Taxes | | | |
| Property taxes | 209,575 | 15,656 | 225,231 |
| Other taxes | - | 157,828 | 157,828 |
| Investment and interest earnings | - | 28,401 | 28,401 |
| Other | 15,513 | 555 | 16,068 |
| Total general revenues | 225,088 | 202,440 | 427,528 |
| Changes in net position | 92,869 | (1,492,301) | (1,399,432) |
| Net position - January 1, as previously reported | 612,491 | - | 612,491 |
| Change in reporting entity | - | (3,568,027) | (3,568,027) |
| Net position (deficit) - January 1, as restated | 612,491 | (3,568,027) | (2,955,536) |
| Net position (deficit) - December 31 | $ 705,360 | $ (5,060,328) | $ (4,354,968) |

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

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# Notes to the Basic Financial Statements

## SUMMARY OF NOTES TO THE BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies
   A. Financial Reporting Entity
   B. Financial Statement Presentation
   C. Measurement Focus and Basis of Accounting
   D. Cash and Investments
   E. Restricted Assets
   F. Receivables
   G. Inventories
   H. Prepaid Items
   I. Capital Assets
   J. Property Taxes
   K. Accounts Payable
   L. Unearned Revenues (Liabilities)
   M. Accrued Leave
   N. Non-current Liabilities
   O. Fund Balances and Net Position
   P. Deferred Outflows / Inflows of Resources
   Q. Use of Estimates
   R. Implementation of New GASB Standards
2. Reconciliation of Town-wide and Fund Financial Statements
3. Deposits and Investments
4. Restricted Assets
5. Long-Term Receivables
6. Capital Assets
7. Investment in Joint Venture
8. Short-Term Debt
9. Long-Term Liabilities
10. Fund Balance
11. Pension Plans
12. Deferred Compensation Plans
13. Risk Management
14. Commitments and Contingencies
15. Interfund Transactions
16. Deficit Fund Balance
17. Tax Abatements
18. Discretely-Presented Component Units
19. Related Party Transactions
20. Restatement of Net Position for Reporting Entity Change
21. Current Economic Uncertainties
22. Subsequent Events

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Castle Rock, Colorado (the Town) was incorporated in 1881 and was voted by the citizens as a home-rule municipality in 1987 under the provisions of Article XX of the Constitution of the State of Colorado. The Town operates under a Council-Manager form of government.

These financial statements are prepared in accordance with accounting principles applicable to governments generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the Town's significant accounting policies and descriptions of the financial statements are described below:

### A. Financial Reporting Entity

The financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. The objective of the financial reporting entity is to provide users of the financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the Town's financial statements to be misleading or incomplete. These financial statements include all funds and activities of the Town. The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the town-wide financial statements to emphasize that it is legally separate from the government.

Blended component units

The Castle Rock Urban Renewal Authority (CRURA) serves all the citizens of the Town and is governed by a board comprised of the Town's elected Council. The Town has agreed to provide financial support to the CRURA. The CRURA is reported as a special revenue fund and does not issue separate financial statements.

The Festival Park Commons General Improvement District (GID) was created under Colorado state statutes. The GID has the power to develop and maintain public improvements and to finance such improvements by levying a general property tax upon the benefiting property. The GID is a legally separate entity from the Town and is governed by a board comprised of the Town's elected Council. The GID is reported as a special revenue fund, however, there was no activity in the GID for the year ended December 31, 2020.

Discretely presented component units

The Castle Rock Downtown Development Authority (CRDDA) was formed in 2008, under State of Colorado statutes as a quasi-municipal corporation, by the voters of downtown Castle Rock, Colorado to finance, construct and, on occasion, operate various public improvements including streetscape projects, sidewalks, street lighting, street furniture, public parks and places. The CRDDA is governed by a seven-member elected Board of Directors pursuant to the provisions of the Colorado Special District Act and consists of property owners, business owners and other representatives of downtown Castle Rock. One of these individuals serves as a liaison to the Castle Rock Town Council and is a member of Council. The operations of the DDA are guided by the 2008 Plan of Development adopted by the board of directors of the CRDDA. The Town approves and certifies the mill levy collected by the CRDDA. The Town has issued debt on behalf of CRDDA.

Separately issued financial reports are available for the CRDDA. The report may be obtained by contacting:

Town of Castle Rock
Finance Department
100 North Wilcox Street
Castle Rock, CO 80104

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### A. Financial Reporting Entity (continued)

The Miller's Landing Business Improvement District (BID) was organized on September 20, 2016, and is governed pursuant to provisions of the Business Improvement District Act, CRS 31-25-1203. The District operates under a service plan approved by the Town of Castle Rock on August 8, 2016, and is governed by a Board of Directors comprised of up to five members appointed by Town Council. The District was established for the purpose of making public improvements and providing services to the proposed commercial development, in accordance with the District's operating plan.

Separately issued financial reports are available for the Miller's Landing BID. The report may be obtained by contacting:

Town of Castle Rock
Finance Department
100 North Wilcox Street
Castle Rock, CO 80104

Fiduciary component unit

The FPPA Fire Volunteers Pension Plan is part of a statewide agent multiple-employer defined benefit Public Employee Retirement System. The Affiliated Local Plans represent the assets of numerous separate plans that have been pooled for investment purposes. These pension plans have elected to affiliate with FPPA for plan administration and investment purposes only and are held in a trust. Each plan has a separate plan document and actuarial valuation and is governed by its own local pension board which has the authority to amend the plan benefits, such as cost-of-living increases, funeral benefits, and others as applicable. The Plan is funded by contributions from the Town and the State. The Town Fire Volunteer Pension Board consists of three plan members, two public safety commissioners, the Mayor, the Fire Chief, and the Finance Director. The FPPA Fire Volunteers Pension Plan is not included in the Town-wide statements because its assets are not available to support the Town's own programs. The FPPA Comprehensive Annual Financial Report can be obtained on FPPA's website at: www.fppaco.org/annual-reports.html.

### B. Financial Statement Presentation

The basic financial statements consist of the Town-wide financial statements, the fund financial statements and the notes to the basic financial statements.

Town-wide financial statements

The Town-wide financial statements ("statement of net position" and "statement of activities") report information on all non-fiduciary activities of the primary government and component units.

The activities of the primary government are aggregated into two activity types: governmental and business-type.

***Governmental activities*** reflect most of the Town's services including: general government, public safety (police and fire), public works (transportation and streets) and culture and recreation (parks and open space), which are normally supported by taxes and intergovernmental revenues.

***Business-type activities*** include water, water resources, stormwater and wastewater utilities, a golf course, community centers (recreation), and development services. These activities rely to a significant extent on fees and charges for services.

The *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

*The statement of net position* reports what the Town owns (assets and deferred outflows of resources) and what the Town owes (liabilities and deferred inflows of resources) with the difference being reported as net position.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### B. Financial Statement Presentation (continued)

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the fiduciary funds are excluded from the Town-wide reporting as the assets are not available to support Town programs or operations. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Fund Financial Statements

The Town uses fund accounting to control and manage money intended for a particular purpose or to demonstrate compliance with finance-related legal requirements.

Fund statements are grouped into three fund categories: governmental, proprietary and fiduciary. The fund financial statements report Town operations in more detail than the Town-wide financial statements by providing information about financially significant funds called "major funds". Individual financial information is reported for each major fund with the remaining "non-major" funds, including its blended component units, being aggregated into a single "other" column.

***Governmental Funds***

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 Town, except those required to be accounted for in another fund. The *Economic Development Fund* is a sub-fund of the General Fund to facilitate expansion of the tax base, through primary job creation and improved local economy. The *Parking Fund* is a sub-fund of the General Fund to fund public parking garage maintenance and debt payments related to the Encore Redevelopment Agreement.

The *Transportation Fund* is a special revenue fund that accounts for the accumulation of financial resources and expenditures for the construction, acquisition, installation, repair and maintenance of streets, bridges, sidewalks and public transit and the acquisition of easements and right-of-ways, development of transportation facilities and for the operations of the department responsible for the construction and maintenance of such facilities. The following revenue sources are committed to the furtherance of transportation projects within the Town of Castle Rock, the maintenance of existing roads and infrastructure and the overall operations of the public works department:

- Tax revenue inclusive of but not limited to the following:
  - Sales tax
  - Building Use Tax
- Intergovernmental revenues are inclusive of but not limited to the following:
  - Highway User Revenue
  - Road & Bridge Revenue
  - Douglas County Shareback
- Charge for services

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### B. Financial Statement Presentation (continued)

Fund Financial Statements (continued)

- Investment Earnings
- Contributions and Donations
- Any other revenue inclusive of but not limited to the following:
    - Reimbursements
    - Refunds

The *Transportation Capital* Fund is a capital projects fund that accounts for the planning and construction of growth related capital improvement projects.

***Proprietary Funds***

The Town reports the following major proprietary funds:

The *Water Fund* is used to account for the Town's activities related to water well development, water extraction, treatment, and transportation systems, and for the repair and maintenance of such facilities.

The *Water Resources Fund* is used to account for the Town's activities related to the analysis and measurement of the long-term water needs of the Town including conservation promotion and the maintenance and development of groundwater and renewable water sources.

The *Stormwater Fund* is used to account for long-term stormwater planning, implementation of capital improvement projects, and administration of the Town's floodplain program.

The *Wastewater Fund* is used to account for the activities related to wastewater collection and treatment.

The *Golf Course Fund* is used to account for the activities related to the operations and maintenance of Red Hawk Ridge Golf Course.

The *Community Center Fund* accounts for the operations of the Town's recreation center and the activities that are provided at that facility and the Miller Activity Complex.

The *Development Services Fund* accounts for revenues and expenses related to development services within the Town.

In addition, the Town reports the internal service funds as non-major funds. The internal service funds are used to finance and account for goods and services provided to other funds, on a cost reimbursement basis. These funds are used to account for the operations of the Employee Benefits and Fleet Services Funds.

The proprietary fund "statement of revenues, expenses and changes in net position" classifies revenues and expenses directly related to the service provided as "operating". Operating revenues are primarily charges for services (exchange-like transactions) for utility services (water, water resources, stormwater, and wastewater), recreation services (golf, and community center) and for development services. Golf operating revenues include sales of merchandise. Operating revenues for internal service funds are charges for services provided to other funds and departments. All other revenues in the proprietary funds are reported as non-operating revenues. Operating expenses for proprietary funds include cost of sales and services, administrative expenses and depreciation of capital assets. All other expenses are reported as non-operating.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### B. Financial Statement Presentation (continued)

Fund Financial Statements (continued)

***Fiduciary Funds***

Fiduciary funds account for assets held on behalf of outside parties, including individuals, organizations and other governments. Fiduciary funds are not reflected in the Town-wide financial statements because the assets of those funds are not available to support Town programs or operations. The fiduciary activities of the Town are reported in the following fiduciary funds:

The *FPPA Fire Volunteers Pension Fund* is a pension trust fund used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by the Town at amounts determined by biennial actuarial studies as well as contributions by the State of Colorado.

The *Add-On PIF Fund* is a custodial fund used to account for the receipt and disbursement of the Add-On Public Improvement Fee (PIF) collected on sales transactions in the Promenade retail center. The Town remits collections of the Add-On PIF to the Promenade Metropolitan District No. 1 on a monthly basis.

The *Special District Fee Fund* is a custodial fund used to account for receipt and disbursement of the Meadows District imposed capital reserve fee. The Town remits collections of the capital reserve fee to the Meadows Districts on a monthly basis.

The *Use Tax Fund* is a custodial fund used to account for the receipt and disbursement of Douglas County's 1.00% portion of the use tax imposed on construction materials that are utilized in the construction of real property. The Town remits collections of the use tax to Douglas County on a monthly basis.

The *Authority Development Fee Fund* is a custodial fund used to account for the receipt and disbursement of the Cherry Creek Basin Water Quality Authority's imposed Development Fee. The fee is collected on new construction and development within the portion of the Town that overlaps the Authority's boundaries. The Town remits collections of the fee to the Authority periodically, as received.

### C. Measurement Focus and Basis of Accounting

The Town-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary funds, and discretely presented component unit financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available 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 year. The Town reports deferred inflows when the potential revenue does not meet the measureable and available criteria for recognition in the current period. Expenditures are recorded when the liability is incurred. However, debt service and compensated absences are recorded when the payment is due.

Sales taxes, use taxes, motor vehicle use, property taxes, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual. These are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### C. Measurement Focus and Basis of Accounting (continued)

As a general rule the effect of interfund activity has been eliminated from the Town-wide financial statements. Exceptions to this general rule are charges between the Town's water and wastewater funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

### D. Cash and Investments

To facilitate the recording of cash transactions and maximize earnings on investments, the Town pools cash and investments of all funds, except for unspent bond proceeds. The Town maintains accountability for each fund's equity in pooled cash and investments. Unspent bond proceeds are separately accounted for in accordance with the bond requirements. All unrestricted funds of the Town are eligible for investment. Investment earnings related to combined funds are distributed to each fund on a pro rata basis. For financial statement presentation, each fund's share of the cash and investment pool is reported as "cash and cash equivalents" and "investments" of that fund at year-end.

The Town defines cash equivalents as highly liquid investments with a maturity of three months or less at the date of purchase.

Investments are reported at fair value except for local government investment pools and the affiliated local plan pool which are reported at the net asset value per share which is determined based upon how the fund is valued (i.e. fair value or amortized cost). Investment income includes increases and decreases in the fair value of investments. Changes in fair value during the year do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

### E. Restricted Assets

Certain resources, such as those set aside for the repayment of debt, are classified as restricted assets on the balance sheet because their use is limited by bond covenants or other agreements. These assets are generally not available to pay current obligations.

### F. Receivables

Receivables are reported net of an allowance for uncollectible accounts, where applicable. The allowance of $252,779 is reported in the General Fund.

### G. Inventories

Inventory is maintained in the Golf Fund for resale merchandise. Inventory is valued at cost, which approximates market, using the first in / first-out (FIFO) method. The cost of this inventory is recorded as an expense when consumed rather than when purchased.

### H. Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods; the associated expense is recognized in the period benefitted by the prepayment in the Town-wide and proprietary funds and the associated expenditures are recognized when consumed in the governmental funds.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### I. Capital Assets

All capital assets, including infrastructure capital assets such as streets and sidewalks are reported in the applicable governmental or business-type activities columns in the Town-wide financial statements and in the proprietary funds financial statements. Purchases and construction of capital assets are reported at cost. Donated assets are valued at the acquisition value at the date of donation. The Town identifies all reportable intangible assets and values of these assets based on purchase price or acquisition value if donated. Intangible assets include, but are not limited to, easements, right-of-ways, internally developed software, water rights, and trademarks.

The Town has established a capitalization threshold of individual assets costing $5,000 or more with a useful life greater than one year.

Costs incurred for the purchase or construction of capital assets for governmental activities are recorded as capital outlay expenditures in the governmental funds. Infrastructure assets (e.g., streets, sidewalks, and trails) have been capitalized for all infrastructure acquired since 1980. Costs incurred for the purchase or construction of capital assets for business-type activities are reported as assets in the proprietary funds.

Depreciation of exhaustible capital assets is charged as an expense against operations. Accumulated depreciation is reported on the Town-wide and proprietary fund financial statements. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

| | |
|---|---|
| Machinery and equipment | 5 - 10 years |
| Buildings and improvements | 20 - 40 years |
| Infrastructure | 15 - 50 years |
| Water Rights (Non-tributary) | 100 years |

Assets recorded under lease purchase agreements are amortized over either the term of the lease or the estimated useful life of the assets, whichever period is shorter. Amortization expense for lease purchase agreements is included in the depreciation line item on the financial statements.

### J. Property Taxes

Property taxes attached as a lien on property on January 1, are certified to the county by December 15th and are levied the following January 1st. Property taxes are payable in full by April 30th, or in two equal installments due February 28th and June 15th. Taxes collected by the county are remitted to the Town by the 10th of the following month. Property taxes are reported as receivables and deferred inflows when liened and as revenue when collected in the following year.

### K. Accounts Payable

Amounts reported as accounts payable on the statement of net position include:

| | Governmental Activities | Business-type Activities |
|---|---|---|
| Vendors | $ 5,147,462 | $ 4,150,566 |
| Salaries and benefits | 756,447 | 334,754 |
| Total | $ 5,903,909 | $ 4,485,320 |

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### L. Unearned Revenue (Liabilities)

Unearned revenues reflect amounts that have been received before the town has a legal claim to the funds. In subsequent periods, when revenue recognition criteria are met, or when the Town has a legal claim to the resources, the unearned revenue is removed from the statements of net position or governmental funds balance sheet and revenue is recognized.

### M. Accrued Leave

The Town allows employees to accumulate unused vacation and sick benefits up to certain maximum hours. Accrued compensated absences are recognized as expenses when earned by the employee for the Town-wide statements and the proprietary fund statements. Compensated absences are recognized as expenditures when paid in the governmental fund statements. In response to the Pandemic, employees were allowed to carryover unused vacation and sick benefits above the maximum hours.

### N. Non-current Liabilities

Non-current liabilities include: bonds, notes, certificates of participation, lease purchase agreements, earned but not used compensated absences, and net pension liabilities. The accounting and reporting treatment for a fund's non-current liabilities is determined by its measurement focus.

*Governmental Funds*

For governmental funds, the liability is recorded when payment is due or the resources have been accumulated for payment early in the following year. Proceeds from the issuance of debt are reported in the governmental funds as "other financing sources". Payments of principal on debt are shown as expenditures. In the governmental fund financial statements, bond premiums and discounts, and bond issuance costs, are reported as expenditures of the current period.

*Town-wide (governmental and business-type activities) and Proprietary Funds*

The Town-wide and proprietary fund financial statements use the economic resources measurement focus. Proprietary funds report long-term liabilities in the fund. Long-term liabilities expected to be repaid by governmental funds are reported in the governmental activities column of the Town-wide statements. Under the economic resources measurement focus, debt issuances are reported as increases in non-current liabilities. Principal payments are shown as decreases in non-current liabilities. The outstanding amounts of non-current liabilities are reported on the statement of net position. Amounts due within the next twelve months are reported as "due within one year" with the remaining amount being reported as "due within more than one year". Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

### O. Fund Balance and Net Position

*Fund Balances*

Fund balances reflect assets minus liabilities and deferred inflows of resources using the current financial resources measurement focus. Fund balances are only reported in the governmental fund statements. The Town follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. The following classifications will describe the strength of the fund's spending constraints:

Non-spendable Fund Balance – The portion of fund balance that cannot be spent because it is either not in a spendable form or is legally or contractually required to be maintained intact.

Restricted Fund Balance – The portion of fund balance constrained for a specific purpose by external parties, constitutional provisions, or enabling legislation. Effectively, restrictions on fund balance may only be changed or lifted with the consent of resource providers.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### O. Fund Balance and Net Position (continued)

Committed Fund Balance – The portion of fund balance that can only be used for specified purposes according to limitations imposed by Town Council prior to the end of the current fiscal year. The constraint may be removed or changed only by resolution of Town Council.

Assigned Fund balance – The portion of fund balance set aside for planned or intended actions. The intended use may be expressed by Town Council or other individuals authorized to assign funds to be used for a specific purpose. Through a resolution, Town Council assigned authority to the Town Manager. In governmental funds other than the general fund, assigned fund balance represents the amount that is not non-spendable, restricted, or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned Fund Balance – This is the residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund. In 2016, Town Council approved a reserves policy that required funds to be reserved with the intent of stabilizing revenues which are highly volatile in the event that regular planned revenues do not materialize to the degree anticipated for regular operational needs. Therefore, the Town maintains a cash reserve equal to at least three months of operating expenses in the General Fund to provide for this assurance.

In the Town's Fund Balance policy, it is not specifically identified which order the spending should occur. Therefore, the Town's practice is that the order of spending defaults to the following order; restricted, committed, assigned, and unassigned fund balance.

*Net Position*

In the government-wide and proprietary fund financial statements, net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources using the economic resources measurement focus and the accrual basis of accounting. Net Position is reported in three classifications. "Net investment in capital assets" which reflects capital assets (net of accumulated depreciation) reduced by the outstanding amount of the debt that was used to acquire or construct the capital assets. Restricted net position report amounts legally segregated for a specific use. The remaining net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as needed.

### P. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports two items that qualify for reporting in this category - pension related amounts and deferred losses on debt refundings. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports three items that qualify for reporting in this category – pension related amounts, IREA capital credit and property taxes that are deferred to future periods. The IREA capital credit is utilized when the Town has a qualifying future project that requires the removal, relocation or installation of IREA infrastructure.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which revenues are not available are reported as a deferred inflow of resources. Unavailable fund resources are recognized in the Town-wide statement of activities.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### Q. Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. These assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenditure and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

The Town invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of financial position.

### R. Implementation of New GASB Standards

During 2020, the Town adopted five Governmental Accounting Standards Board Statements: No. 83, *Certain Asset Retirement Obligations* (GASB 83), No. 84, *Fiduciary Activities* (GASB 84), No. 88, *Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements* (GASB 88), No. 90, *Majority Equity Interest – an Amendment of GASB Statements No. 14 and No. 61 (GASB 90),* and paragraphs 4 and 5 of GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – An Amendment of GASB Statements No. 14 and No. 84, and a Supersession of GASB Statement No. 32.* (GASB 97).

GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset that results from an obligation to perform future asset retirement activities. As of December 31, 2020, the Town had no asset retirement obligations as defined by GASB 83 and, consequently, there is no financial statement liability to report.

GASB Statement No. 84 improves guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments, and focuses on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic financial statements. This Statement describes four fiduciary funds that should be reported, if applicable: pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and custodial funds. Custodial funds are used to report fiduciary activities not held in a trust or equivalent arrangement that meets specific criteria. The Town reports one pension trust fund and four custodial funds which are reported in the basic financial statements in the statement of fiduciary net position and the statement of changes in fiduciary net position. The implementation of GASB 84 resulted in a restatement of beginning fiduciary net position for the pension trust fund in the amount of $939,443. As a result of the adoption of GASB 84 the Add-On PIF Fund, Special District Fee Fund, Use Tax Fund, and Authority Development Fee Fund are being reported as custodial funds. In prior years these were reported as assets and liabilities of $65,213, $54,338, $102,933, and $2,160 in the General Fund, Water Fund, General Fund, and General Fund, respectively. This change had no impact on fund balance/net position of the respective funds.

GASB Statement No. 88 clarifies the definition of debt and updates related financial statement note disclosure requirements, including separate reporting of direct borrowing and direct placement debt, unused lines of credit, assets pledged as collateral for the debt, and any terms specified in debt agreements related to significant events of default with finance related consequences, significant termination events with finance-related consequences and significant subjective acceleration clauses. The changes effected with implementation of this standard can be found in Note 9 on page 73.

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

### R. Implementation of New GASB Standards (continued)

GASB Statement No. 90 addresses accounting and financial reporting for majority equity interests in legally separate organizations either as an investment or a component unit. The standard does not apply to joint ventures. An evaluation of the standard concluded that as of December 31, 2020, the Town had no majority equity interests in legally separate organizations to account for as required by standard.

GASB 97 paragraphs 4 and 5 modified the applicability of certain component unit criteria related to defined contribution pension plans. This criteria was considered in conjunction with the implementation of GASB 84 and based upon this guidance none of the Town's defined contribution plans met the criteria to be reported as fiduciary activities. The Town will implement paragraphs 6-9 for the fiscal year ending December 31, 2022 as required by the standard.

## 2. RECONCILIATION OF TOWN-WIDE AND FUND FINANCIAL STATEMENTS

The reconciliation of total governmental funds on the governmental funds balance sheet to the governmental activities on the statement of net position includes an amount for long-term liabilities including bonds payable and accrued leave that are not due and payable in the current period and therefore are not reported in the governmental funds.

### A. Explanation of Certain Differences between the Government Fund Balance Sheet and the Town-wide Statement of Net Position

The details of the $48,894,728 difference relating to governmental activities long-term liabilities are as follows:

| | | |
|---|---|---|
| 2013 Sales and use tax bonds | $ | 1,590,000 |
| 2016 Sales and use tax bonds | | 6,075,000 |
| 2020 Sales and use tax bonds | | 18,550,000 |
| 2013 Certificates of participation | | 6,745,000 |
| 2020 Certificates of participation | | 8,485,000 |
| Accrued leave, excluding internal service funds of $69,755 | | 4,789,229 |
| Debt premiums and discounts | | 2,447,753 |
| Accrued interest payable | | 212,746 |
| Net adjustments to governmental funds fund balances to arrive at net position for governmental activities | $ | 48,894,728 |

## 2. RECONCILIATION OF TOWN-WIDE AND FUND FINANCIAL STATEMENTS (continued)

### B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Town-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances, total governmental funds and changes in net position of governmental activities as reported in the Town-wide statement of activities. One element of that reconciliation states "repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items."

The details of the ($9,006,564) difference are as follows:

| | |
|---|---|
| Principal payments | |
| 2013 Sales and use tax bonds | $ 510,000 |
| 2016 Sales and use tax bonds | 635,000 |
| 2013 Certificates of participation | 385,000 |
| Bond issuance | (18,550,000) |
| COP issuance | (8,485,000) |
| Payment to escrow agent | 18,452,327 |
| Issuance of debt premiums and discounts | (1,450,969) |
| Amortization of debt premium and discounts | 231,162 |
| Amortization of refunding loss | (59,966) |
| Accrued interest on debt | (92,094) |
| Net increase in accrued leave | (582,024) |
| Net adjustments to governmental fund revenues and expenditures to arrive at the change in net position for governmental activities. | $ (9,006,564) |

## 3. DEPOSITS AND INVESTMENTS

**Summary Of Deposits By Fund Type And Fund**

| Fund | Petty Cash | Deposits | Investments | Equity in Town Pool | Totals |
|---|---|---|---|---|---|
| **Governmental Activities** | | | | | |
| ***General Fund*** | | | | | |
| Cash and cash equivalents | $ 49,110 | $ 109,487 | $ 8,331,131 | $ 7,147,488 | $ 15,637,216 |
| Investments | - | - | 16,199,104 | - | 16,199,104 |
| Restricted cash and cash equivalents | - | - | 800,000 | 9,757,738 | 10,557,738 |
| ***Transportation*** | | | | | |
| Cash and cash equivalents | - | 18,501 | 6,745,062 | 4,730,323 | 11,493,886 |
| Investments | - | - | 6,154,560 | - | 6,154,560 |
| ***Transportation Capital*** | | | | | |
| Cash and cash equivalents | - | - | 6,866,029 | 5,058,457 | 11,924,486 |
| Investments | - | - | 6,630,276 | - | 6,630,276 |
| ***Other Governmental Funds*** | | | | | |
| Cash and cash equivalents | 300 | 2,015,652 | 820,979 | 12,184,872 | 15,021,803 |
| Investments | - | - | 4,633,573 | - | 4,633,573 |
| ***Internal Service Funds*** | | | | | |
| Cash and cash equivalents | - | - | 2,254,663 | 2,573,120 | 4,827,783 |
| Investments | - | - | 2,266,286 | - | 2,266,286 |
| Total governmental activities | 49,410 | 2,143,640 | 61,701,663 | 41,451,998 | 105,346,711 |
| **Business-type Activities** | | | | | |
| ***Water*** | | | | | |
| Cash and cash equivalents | 895 | - | 7,353,867 | 5,950,834 | 13,305,596 |
| Investments | - | - | 11,657,339 | - | 11,657,339 |
| ***Water Resources*** | | | | | |
| Cash and cash equivalents | - | - | 3,635,873 | 1,163,125 | 4,798,998 |
| Investments | - | - | 40,409,735 | - | 40,409,735 |
| ***Stormwater*** | | | | | |
| Cash and cash equivalents | - | - | 1,993,365 | 1,874,869 | 3,868,234 |
| Investments | - | - | 6,943,277 | - | 6,943,277 |
| Restricted cash and cash equivalents | | | 2,244,584 | 2,244,584 | 4,489,168 |
| ***Wastewater*** | | | | | |
| Cash and cash equivalents | - | - | 3,366,951 | 4,212,025 | 7,578,976 |
| Investments | - | - | 5,229,774 | - | 5,229,774 |
| ***Golf*** | | | | | |
| Cash and cash equivalents | 2,500 | 4,913 | 376,074 | 732,495 | 1,115,982 |
| Investments | - | - | 431,166 | - | 431,166 |
| Restricted cash and cash equivalents | - | 500,815 | - | - | 500,815 |
| ***Community Center*** | | | | | |
| Cash and cash equivalents | 2,320 | 3,971 | 94,472 | 226,364 | 327,127 |
| Investments | - | - | 527,682 | - | 527,682 |
| ***Development Services*** | | | | | |
| Cash and cash equivalents | - | - | 214,295 | 1,494,402 | 1,708,697 |
| Investments | - | - | 3,395,145 | - | 3,395,145 |
| Total business-type activities | 5,715 | 509,699 | 87,873,599 | 17,898,698 | 106,287,711 |
| Total primary government | 55,125 | 2,653,339 | 149,575,262 | 59,350,696 | 211,634,422 |

## 3. DEPOSITS AND INVESTMENTS (continued)

**Summary Of Deposits By Fund Type And Fund**

| Fund | Petty Cash | Deposits | Investments | Equity in Town Pool | Totals |
|---|---|---|---|---|---|
| **Fiduciary Funds** | | | | | |
| ***Pension Trust*** | | | | | |
| Investments | - | - | 973,762 | - | 973,762 |
| ***Add on PIF*** | | | | | |
| Restricted Cash and cash equivalents | - | - | - | 80,959 | 80,959 |
| ***Special District Fees*** | | | | | |
| Restricted Cash and cash equivalents | - | - | - | 43,916 | 43,916 |
| ***Use Tax*** | | | | | |
| Restricted Cash and cash equivalents | - | - | - | 155,895 | 155,895 |
| ***Authority Development Fees*** | | | | | |
| Restricted Cash and cash equivalents | - | - | - | 1,140 | 1,140 |
| Total fiduciary funds | - | - | 973,762 | 281,910 | 1,255,672 |
| Total All Funds | $ 55,125 | $ 2,653,339 | $ 150,549,024 | $ 59,632,606 | $ 212,890,094 |
| Deposits in Town Pool | - | 59,632,606 | - | (59,632,606) | - |
| Totals | $ 55,125 | $ 62,285,945 | $ 150,549,024 | $ - | $ 212,890,094 |

**3. DEPOSITS AND INVESTMENTS (continued)**

**A. Inherent Risks**

The Town's deposits and investments, (like those of other governments), are subject to various risks:

**1) Custodial Credit Risk**

The custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, the Town would not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that in the event of the failure of a counterparty to the transaction, the Town would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

**2) Concentration of Credit Risk**

State statutes do not limit the amount the Town may invest in one issuer. At December 31, 2020, the Town's investments in any one issuer greater than five percent of the Town's total investments include the following:

| Issuer | Percent of total investments |
|---|---|
| U.S. Treasury | 17.30% |
| Corporate Bonds | 11.26% |
| Federal Home Loan Banks (FHLB) | 10.44% |
| Federal Home Loan Mortgage Corporation (FHLMC) | 8.40% |
| Federal National Mortgage (FNMA) | 9.19% |
| Municipal Bonds | 6.80% |
| Federal Farm Credit Banks (FFCB) | 6.45% |

**B. Town Deposit and Investment Policies**

The risk exposure is essentially the same for both governmental and business-type activities.

***Deposits***

Deposits are exposed to custodial credit risks if they are not covered by depository insurance and the deposits are uncollateralized. The Town's deposit and investment policy allows Town funds to be deposited in any state or national bank located in Colorado, which is a member of the Federal Deposit Insurance Corporation (FDIC) and which complies with the Colorado Public Deposit Protection Act (PDPA). The PDPA requires that all local governments deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured public deposits. The PDPA has the effect of perfecting the security interest in the name of the local government agency. At December 31, 2020, the Town's cash deposits had a carrying value of $62,285,945 and a corresponding bank balance of $64,742,840 of which $1,001,500 was FDIC insured and $63,741,340 was collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name.

**3. DEPOSITS AND INVESTMENTS (continued)**

**B. Town Deposit and Investment Policies (continued)**

***Investments***

To limit its exposure to the various investment risks, the Town, through its investment policy, adopted the Colorado Revised Statutes dealing with deposits and investments to restrict investments of Town funds to the securities and transactions meeting certain established criteria. The ratings shown in the following list are by Standard and Poor's (S&P). An investment may also receive an equivalent rating by another rating agency such as Moody's or Fitch. Maturity time limitations are measured from the date of purchase. State statutes do not address custodial risk.

The Town's Investment Policy allows the following investments:

1) United States Treasury obligations, federal agency securities and federal instrumentality securities, S&P or Moody rated AAA with maturities not exceeding five years.

2) Prime commercial paper issued on U.S. companies and denominated in U.S. currency, S&P rated A-1, with maturities not exceeding 270 days.

3) Eligible bankers' acceptances, with maturities not exceeding 180 days, where banks meet certain capital and rating requirements.

4) Repurchase agreements and flexible repurchase agreements meeting certain criteria.

5) Local government investment pools, with a constant net asset value of $1 per share, S&P rated AAAm, and which invests under the Colorado Revised Statutes dealing with local government deposits and is overseen by the Colorado Securities Commissioner.

6) Time certificates of deposit or savings accounts, with maturities not exceeding one year, meeting both the FDIC and PDPA requirements.

7) Money market funds, which are registered, with a constant weighted average maturity and S&P rating of AAAm. No more than 25% of the Town's aggregated portfolio may be invested in this type of investment.

8) Corporate bonds issued by a corporation or bank with a final maturity not exceeding three years from the date of purchase, rated at least AA- by S&P.

9) Municipal bonds with a final maturity not exceeding five years from the date of purchase and rated at least A by S&P for general obligation or revenue obligation debt of this state or any political subdivision, institution, department, agency, instrumentality, or authority of this state. Such obligations of any other governmental entity shall be rated at least AA by S&P.

## 3. DEPOSITS AND INVESTMENTS (continued)

### B. Town Deposit and Investment Policies (continued)

The Town's investments on December 31, 2020 were as follows:

| | | INVESTMENT MATURITIES (In Years) | | | |
|---|---|---|---|---|---|
| Investment Type | Standard & Poors Rating | Less Than 1 | 1-5 | Fair Value | Net Asset per Share |
| U.S. Treasuries | | $ 12,328,463 | $ 13,543,536 | $ 25,871,999 | $ - |
| U.S. Agencies | AA+ | 5,523,105 | 46,059,759 | 51,582,864 | - |
| Municipal Bonds | AA- - AAA | - | 10,178,309 | 10,178,309 | - |
| Corporate Bonds | AA- - AAA | 7,767,217 | 9,077,528 | 16,844,745 | - |
| Investment Pools | | | | | |
| Local Government Investment Pool * | AAAm | 45,097,345 | - | - | 45,097,345 |
| Pension Trust Affiliated Local Plan Pool | NR | 973,762 | - | - | 973,762 |
| **Total** | | $ 70,716,130 | $ 78,859,132 | $ 104,477,917 | $ 46,071,107 |

*Included as part of cash and cash equivalents for financial reporting purposes.

*Local Government Investment Pool* – At December 31, 2020 the Town had $45,097,345 invested in the Colorado Surplus Asset Fund Trust (CSAFE) cash fund. This is an investment vehicle established by State Statute for local government entities in Colorado to pool surplus funds. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The pool does not have any limitations or restrictions on participant withdrawals. The State Securities Commissioner administers and enforces the requirements of creating and operating the pool. The pool operates similarly to a money market fund and each share is equal in value to $1.00. The pool is rated AAAm by S&P. Investments of the pool are limited to those allowed by State Statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments. Information regarding the CSAFE's financial statements is available at its website www.csafe.org.

Pension Trust Affiliated Local Plan Pool – At December 31, 2020 the Town had $973,762 invested in FPPA's Long-Term Investment Pool of the Fire & Police Members' Benefit Investment Fund and fall under the complete investment authority of the FPPA Board of Directors. The Long-Term Pool is designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs. On a monthly basis shared revenues and expenses are allocated to each affiliate. The Plan is included in FPPA's annual issued audited financials. Additional information regarding the investments and associated risk may be obtained in this report at www.fppaco.org.

**3. DEPOSITS AND INVESTMENTS (continued)**

**B. Town Deposit and Investment Policies (continued)**

***Fair Value***

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using matrix pricing techniques; Level 3 inputs are significant unobservable inputs. The Town has the following recurring fair value measurements as of December 31, 2020:

| | | Fair Value Measurements Using | | |
|---|---|---|---|---|
| **Investment by Fair Value Level** | **December 31, 2020** | **Level 1** | **Level 2** | **Level 3** |
| U.S. Treasuries | $ 25,871,999 | $ - | $ 25,871,999 | $ - |
| U.S Agencies | 51,582,864 | - | 51,582,864 | - |
| Municipal Bonds | 10,178,309 | - | 10,178,309 | - |
| Corporate Bonds | 16,844,745 | - | 16,844,745 | - |
| **Total investments by fair value level** | 104,477,917 | $ - | $ 104,477,917 | $ - |
| **Investment Measured at the Net Asset Value (NAV)** | | | | |
| Local Government Investment Pool | 45,097,345 | | | |
| Pension Trust Affiliated Local Plan Pool | 973,762 | | | |
| **Total investments measured at the NAV** | 46,071,107 | | | |
| **Total investments** | $ 150,549,024 | | | |

## 4. RESTRICTED ASSETS

**Restricted Cash and Cash Equivalents**

| Fund | Purpose | Balance December 31, 2020 |
|---|---|---|
| ***Governmental activities*** | | |
| General - Economic Development | Agreement | $ 800,000 |
| General - Parking | 2020 Certificates of Participation | 9,757,738 |
| | Total Governmental activities | $ 10,557,738 |
| ***Business-type activities*** | | |
| Stormwater | Unspent note proceeds | 4,489,168 |
| Golf | 2015 Revenue Refunding and Improvement Bonds Debt Service Reserve | 500,815 |
| | Total Business-type activities | $ 4,989,983 |
| | Total Restricted Cash and Cash Equivalents | $ 15,547,721 |

**Economic Development Fund**
The restricted cash in the Economic Development Fund is to comply with the September 3, 2019 Redevelopment and Finance Agreement between the Town of Castle Rock, Castle Rock Downtown Development Authority, Town of Castle Rock Festival Park Commons General Improvement District and CD-Festival Commons (CDFC), LLC. The agreement identifies the Town's obligation to set aside a total of $800,000 to be made available to pay to CDFC the actual cost incurred by CDFC for the design and construction of the Plaza. The balance at December 31, 2020 is $800,000 to be used to pay amounts in Accounts Payable at year end.

**Parking Fund**
In 2020, the Town issued COP's to fund the public parking structure. The restricted cash balance at December 31, 2020 is $9,757,738.

**Stormwater Fund**
The restricted cash in the Stormwater Fund relates to unspent note proceeds of $4,489,168 received on December 19, 2020.

**Golf Fund**
In 2015, the Golf Fund refunded its outstanding 2005 Golf Course Enterprise Revenue Refunding Bonds. The 2015 Golf Course Enterprise Revenue Refunding and Improvement Bonds require that the Golf Fund maintain a debt service reserve of $500,815. It is anticipated that this restricted cash will be available to make the final debt service payment due in December 2027.

**Conservation Trust Fund**
The Town has cash in escrow at Douglas County for the Open Space Shareback totaling $4,166,457.

## 5. LONG-TERM RECEIVABLE

The Town reports a long-term receivable in the governmental activities on the Town-wide Statement of Net Position. The receivable relates to an agreement with Intermountain Rural Electric Association (IREA). The Town is allowed a percentage of the previous year's IREA adjusted gross revenue derived within the Town from the sale of electrical energy to customers other than the Town or any federal, state or local governmental entities after the write-off of uncollectible accounts and correction of bills theretofore rendered. IREA uses this allotment to apply against expenses incurred if the Town deems it necessary to change the location or nature of any IREA facilities to permit the Town to make street or sidewalk improvements, including but not limited to, pole relocations, pole changes and underground conversions. Unused allotments shall be carried over from year to year and will accumulate until used by the Town. The balance at December 31, 2020 is $1,081,950.

## 6. CAPITAL ASSETS

**Changes in Capital Asset Activity for the Year Ended December 31, 2020**

| | Beginning Balance | Additions | Deletions | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Governmental activities** | | | | | |
| Capital assets not being depreciated | | | | | |
| Land | $ 60,555,627 | $ 7,733,078 | $ - | $ - | $ 68,288,705 |
| Artwork | 293,733 | - | - | - | 293,733 |
| Construction in progress | 18,752,157 | (5,553,754) | - | - | 13,198,403 |
| Easements | 3,318,548 | 987,264 | - | - | 4,305,812 |
| Right of way | 9,499,564 | 814,530 | - | - | 10,314,094 |
| Total capital assets, not being depreciated | 92,419,629 | 3,981,118 | - | - | 96,400,747 |
| Capital assets being depreciated | | | | | |
| Buildings and improvements | 64,504,899 | 4,367,155 | (45,653) | - | 68,826,401 |
| Infrastructure | 385,573,411 | 19,725,167 | (118,163) | - | 405,180,415 |
| Other structures and improvements | 63,110,665 | 1,596,010 | (60,819) | - | 64,645,856 |
| Machinery and equipment | 39,101,919 | 2,814,073 | (793,470) | - | 41,122,522 |
| Total capital assets being depreciated | 552,290,894 | 28,502,405 | (1,018,105) | - | 579,775,194 |
| Less accumulated depreciation | | | | | |
| Buildings and improvements | (16,325,741) | (1,742,678) | 8,930 | - | (18,059,489) |
| Infrastructure | (166,327,003) | (12,184,197) | 90,592 | - | (178,420,608) |
| Other structures and improvements | (35,928,854) | (3,147,419) | 49,669 | - | (39,026,604) |
| Machinery and equipment | (24,586,361) | (4,275,501) | 755,312 | - | (28,106,550) |
| Total accumulated depreciation | (243,167,959) | (21,349,795) | 904,503 | - | (263,613,251) |
| Total capital assets, being depreciated, net | 309,122,935 | 7,152,610 | (113,602) | - | 316,161,943 |
| Total governmental activities capital assets, net of accumulated depreciation | $ 401,542,564 | $ 11,133,728 | $ (113,602) | $ - | $ 412,562,690 |

| Depreciation expense charged to functions | |
|---|---|
| Governmental activities | |
| General government | $ 1,184,340 |
| Public safety | 577,762 |
| Public works | 13,268,835 |
| Culture and recreation | 3,250,272 |
| Fleet internal service fund | 3,068,586 |
| Total governmental activities depreciation expense | $ 21,349,795 |

## 6. CAPITAL ASSETS (continued)

**Changes in Capital Asset Activity for the Year Ended December 31, 2020**

| | Beginning Balance | Additions | Deletions | Transfers | Ending Balance |
|---|---|---|---|---|---|
| **Business-type activities** | | | | | |
| Capital assets not being depreciated | | | | | |
| Land | $ 9,454,785 | $ 797,036 | $ - | $ 8,533,709 | $ 18,785,530 |
| Construction in progress | 117,609,833 | 28,759,010 | (17,406) | (33,933,596) | 112,417,841 |
| Easements | 11,904,892 | 1,175,080 | - | 850,970 | 13,930,942 |
| Right of way | 244,469 | - | - | - | 244,469 |
| Water rights | 98,280,474 | 1,942,326 | (2,463,400) | 381,956 | 98,141,356 |
| Total capital assets, not being depreciated | 237,494,453 | 32,673,452 | (2,480,806) | (24,166,961) | 243,520,138 |
| Capital assets being depreciated | | | | | |
| Buildings and improvements | 40,512,245 | - | - | - | 40,512,245 |
| Infrastructure | 393,182,086 | 33,126,863 | - | 24,026,706 | 450,335,655 |
| Other structures and improvements | 6,504,871 | 468,498 | - | 20,757 | 6,994,126 |
| Machinery and equipment | 7,733,642 | 349,057 | - | 119,498 | 8,202,197 |
| Water rights - definite life | 72,634,520 | 141,373 | - | - | 72,775,893 |
| Total capital assets being depreciated | 520,567,364 | 34,085,791 | - | 24,166,961 | 578,820,116 |
| Less accumulated depreciation | | | | | |
| Buildings and improvements | (10,415,837) | (1,016,394) | - | - | (11,432,231) |
| Infrastructure | (136,440,209) | (10,411,556) | - | - | (146,851,765) |
| Other structures and improvements | (2,665,460) | (462,449) | - | - | (3,127,909) |
| Machinery and equipment | (4,602,080) | (600,112) | - | - | (5,202,192) |
| Water rights - definite life | (20,564,718) | (577,479) | - | - | (21,142,197) |
| Total accumulated depreciation | (174,688,304) | (13,067,990) | - | - | (187,756,294) |
| Total capital assets, being depreciated, net | 345,879,060 | 21,017,801 | - | 24,166,961 | 391,063,822 |
| Total governmental activities capital assets, net of accumulated depreciation | $ 583,373,513 | $ 53,691,253 | $ (2,480,806) | $ - | $ 634,583,960 |
| Depreciation expense charged to functions | | | | | |
| Business-type activities | | | | | |
| Water | | $ 6,249,405 | | | |
| Water Resources | | 1,374,916 | | | |
| Stormwater | | 2,127,127 | | | |
| Wastewater | | 2,576,038 | | | |
| Golf Course | | 272,732 | | | |
| Development Services | | 133,094 | | | |
| Community Center | | 334,678 | | | |
| Total business-type activities depreciation expense | | $ 13,067,990 | | | |

## 7. INVESTMENT IN JOINT VENTURE

In 1989, the Town, Castle Pines Metropolitan District and Castle Pines North Metropolitan District agreed to establish the Plum Creek Water Reclamation Authority (PCWRA). The Town accounts for this agreement as a joint venture, in which the Town has an equity interest. The purpose of PCWRA is to provide wastewater treatment to the members through the operation of wastewater treatment plants. As part of this agreement, the Town transferred title of the Castle Rock treatment plant to PCWRA in 1990. Additionally, the Town shared in the costs of constructing the Castle Pines plant. The PCWRA is required by state statute to have an annual audit. The audit can be obtained by writing to PCWRA, 4255 North US Highway 85, Castle Rock, CO, 80108.

At December 31, 2020, the Town had an equity interest in PCWRA of $28,762,647. This represents an 86.5% interest in the net position of the PCWRA. During 2020, PCWRA charged the Town $2,851,132 for the treatment of wastewater. The Town also paid to PCWRA $2,463,621 which represents the Town's share of debt service payments for the previous treatment plant expansion.

| | | |
|---|---|---|
| Investment balance January 1 | $ | 27,428,892 |
| Net income from joint venture | | 277,143 |
| Town contributions | | 1,056,612 |
| Investment balance December 31 | $ | 28,762,647 |

## 8. SHORT-TERM DEBT

Short-term debt activity for the year ended December 31, 2020, was as follows:

| | Balance January 1, 2020 | Issued | Repaid | Balance December 31, 2020 |
|---|---|---|---|---|
| **Governmental activities** | | | | |
| Downtown Development Authority Line of Credit | $ - | $ 2,709,542 | $ (1,927,215) | $ 782,327 |

The Town of Castle Rock's Downtown Development Authority (DDA) uses a line of credit to pay TIF eligible expenses approved by the Finance Director and DDA's Executive Director. The line of credit is then paid back with TIF funds as per State statute. In 2020, the Town had an approved Line of Credit for $1,000,000 maturing on January 1, 2021 with a variable interest rate adjusted monthly to be equal to the highest prime rate of interest published in the Money Rate Table of the Western Edition of the Wall Street Journal, as that rate may change monthly on the first day of each month, plus 1% per annum. The interest rate shall not at any time be less than 4.75% or more than 7% per annum. Upon Town Council approval, this line of credit is renewed annually. As of December 31, 2020 the Town has unused line of credit in the amount of $217,673. An annual renewal of the Line of Credit for $1,000,000 was approved in 2021.

## 9. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended December 31, 2020:

| | Balance January 1 | Additions | Reductions | Balance December 31 | Due within One Year | Due beyond One Year |
|---|---|---|---|---|---|---|
| **Governmental activities** | | | | | | |
| Bonds payable | | | | | | |
| 2013 Sales and use tax | $ 18,525,000 | $ - | $ (16,935,000) | $ 1,590,000 | $ 515,000 | $ 1,075,000 |
| 2016 Sales and use tax | 6,710,000 | - | (635,000) | 6,075,000 | 665,000 | 5,410,000 |
| 2020 Sales and use tax | - | 18,550,000 | - | 18,550,000 | - | 18,550,000 |
| Certificates of participation | | | | | | |
| 2013 COPs | 7,130,000 | - | (385,000) | 6,745,000 | 400,000 | 6,345,000 |
| 2020 COPs | - | 8,485,000 | - | 8,485,000 | - | 8,485,000 |
| Bond/COP premiums & discounts | 2,803,047 | 1,450,969 | (1,806,263) | 2,447,753 | - | 2,447,753 |
| Accrued leave * | 4,271,124 | 3,026,672 | (2,438,812) | 4,858,984 | 2,399,743 | 2,459,241 |
| Net pension liability ** | 1,669,557 | 203,737 | (1,669,557) | 203,737 | - | 203,737 |
| Total governmental activities | $ 41,108,728 | $ 31,716,378 | $ (23,869,632) | $ 48,955,474 | $ 3,979,743 | $ 44,975,731 |
| **Business-type activities** | | | | | | |
| Bonds payable | | | | | | |
| 2012 Water & Wastewater | $ 4,975,000 | $ - | $ (1,180,000) | $ 3,795,000 | $ 1,225,000 | $ 2,570,000 |
| 2015 Water & Wastewater | 4,060,000 | - | (525,000) | 3,535,000 | 535,000 | 3,000,000 |
| 2015 Golf Course | 3,525,000 | - | (400,000) | 3,125,000 | 410,000 | 2,715,000 |
| 2016 Water & Wastewater | 42,435,000 | - | (1,925,000) | 40,510,000 | 2,015,000 | 38,495,000 |
| Bond premiums & discounts | 8,567,717 | - | (686,685) | 7,881,032 | - | 7,881,032 |
| Notes and leases from direct borrowings and direct placements *** | 4,907,441 | 4,500,000 | (164,052) | 9,243,389 | 132,613 | 9,110,776 |
| Accrued leave | 1,445,035 | 1,039,219 | (732,490) | 1,751,764 | 760,166 | 991,598 |
| Total business-type activities | $ 69,915,193 | $ 5,539,219 | $ (5,613,227) | $ 69,841,185 | $ 5,077,779 | $ 64,763,406 |

* Accrued leave for the Governmental Activities are expected to be liquidated primarily with revenues of the General Fund and Transportation Fund.

** The General Fund has been used in prior years to liquidate pension liabilities.

*** Implementation of GASB 88, "Certain Debt Disclosures", required items previously reported as capital leases to be reclassified to financed purchase agreements which are reported under the category Notes and Leases from Direct Borrowings and Direct Placements. As such, the beginning balances of Business-type activities in the amount of $407,441 was reclassified from 2019 ending capital lease balances to notes and leases from direct borrowings and direct placements.

**9. LONG-TERM LIABILITIES (continued)**

**A. Revenue Bonds**

Over the years, the Town has issued revenue bonds with pledged revenues as collateral. The revenue bonds have been issued as transportation revenue bonds, water and wastewater revenue bonds and golf revenue bonds. These bonds were issued to finance various construction projects within each of the issuing funds, with the pledged revenue coming from the respective fund.

The total pledged revenue is not estimable in comparison to pledged debt in that revenues are uncertain as to future amounts. However, the debt coverage requirement for each issue must be met or the bonds will be in default. This provides sufficient coverage each year for the pledged debt. The debt service coverage, or comparison of pledged revenues net of specific operating expenses, for each pledged debt, is provided in Tables 19 through 21 of the statistical section.

In March 2013, the Town issued $20,000,000 at interest rates ranging from 1.5% – 5% of Sales and Use Tax Revenue Bonds. The purpose of the 2013 bonds was to finance a portion of Castle Rock Parkway. Principal payments are due annually on June 1 through 2035 commencing June 1, 2017. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2013. In October 2020, the outstanding bonds were partially refunded with the Sales and Use Tax Revenue Refunding Bonds, Series 2020. A portion of the 2013 bonds maturing in 2021, 2022 and 2023 totaling $1,590,000 were not refunded. The Town established an escrow account with proceeds from the 2020 refunding bonds. The amount deposited into the escrow is expected to be sufficient to pay interest on the defeased debt from 2020 until 2023 and to pay the outstanding principal on the defeased debt when the refunded bonds are called on June 1, 2023. The amount of debt outstanding in escrow at December 31, 2020 is $16,425,000. As of December 31, 2020, future payments of principal and interest on the unrefunded Series 2013 Bonds total $1,670,481. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35% pledged from the General, Transportation and Community Center funds. During the year ended December 31, 2020 revenues of $23,209,405 were available to pay annual debt service of $1,235,468.

In July 2016, the Town issued $7,405,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2016 at interest rates ranging from 2% – 5%. The purpose of the 2016 bonds was to refund all of the Town's Sales and Use Tax Revenue Bonds, Series 2008 in the amount of $7,880,000. Principal payments are due annually on June 1 through 2028 commencing June 1, 2018. Interest payments are due semi-annually on June 1 and December 1 commencing December 1, 2016. As of December 31, 2020, future payments of principal and interest total $7,243,026. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35% pledged from the General, Transportation and Community Center funds. During the year ended December 31, 2020 revenues of $23,209,405 were available to pay annual debt service of $902,325.

In October 2020, the Town issued $18,550,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2020 at interest rates ranging from 1.03% – 2.42%. The purpose of the 2020 bonds was to reduce the interest rate paid on the Town's debt by refunding a portion of the Town's Sales and Use Tax Revenue Bonds, Series 2013 in the amount of $16,425,000. The purpose of the 2013 bonds was to finance a portion of Castle Rock Parkway. Principal payments are due annually on June 1 through 2035 commencing June 1, 2025. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2021. As of December 31, 2020, future payments of principal and interest total $22,569,921. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35% pledged from the General, Transportation and Community Center funds. The reacquisition price of the refunded bonds exceeded the net carrying amount of the old debt by $452,225. This amount is deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. As a result, the debt service payments were reduced by a total of $2,341,954. The refunding transaction resulted in a net present value savings of $2,193,752.

**9. LONG-TERM LIABILITIES (continued)**

**A. Revenue Bonds (continued)**

The Town issued Water and Wastewater Revenue Bonds in 2006 for $9,665,000 at a 4% interest rate to construct water and wastewater system improvements. In May of 2012, the Town issued $11,455,000 at interest rates ranging from 2% – 5% in Water and Wastewater Refunding Bonds. The purpose of the refunding was to reduce the interest rate paid on the previously issued Water and Wastewater Revenue Bonds. In July of 2015, the Town issued $5,610,000 at interest rates ranging from 2% - 5% in Water and Wastewater Refunding Bonds. The purpose of the refunding was to reduce the interest rate paid on the 2006 Water and Wastewater Revenue Bonds. A portion of the 2006 Revenue Bonds totaling $905,000 was not refunded. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. The bonds are payable solely from the net revenues of the Town's Water and Wastewater Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2020, net pledged revenues of $44,471,824 were available to pay annual debt service of $2,061,525 for the bonds. As of December 31, 2020, future payments of principal and interest, on the 2012 bonds total $4,154,500 and the 2015 bonds total $4,124,100.

In July 2016, the Town issued $50,635,000 of Water and Sewer Enterprise Revenue Refunding Bonds, Series 2016 at interest rates ranging from 1.5% – 5%. The purpose of the 2016 bonds was to prepay all of the Town's obligations under its Certificates of Participation, Series 2008 (COPs). The purpose of the COPs was to fund the acquisition of a raw water storage easement in the Reuter-Hess Reservoir owned and operated by Parker Water and Sanitation District and to acquire, construct and install certain other water supply, storage, transmission, and treatment facilities. Principal payments are due annually on December 1 through 2034 commencing December 1, 2016. Interest payments are due semi-annually on June 1 and December 1 commencing December 1, 2016. As of December 31, 2020, future payments of principal and interest total $55,020,475. The bonds are payable solely from the net revenues of the Town's Water and Wastewater Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2020, net pledged revenues of $44,471,824 were available to pay annual debt service of $3,722,558.

In 2015, the Town issued $5,410,000 at a 2.86% interest rate of Golf Revenue Refunding and Improvement Bonds to refund the outstanding 2005 Golf Revenue Refunding Bonds, who's original purpose was to finance the acquisition, construction and equipping of the golf course facility. The purpose of the 2015 refunding was to reduce the interest rate paid on the 2005 Bonds and to provide funds for capital improvements at the Golf Course. The outstanding bonds are payable solely from the revenues derived from the operation of the Red Hawk Ridge Golf Course after the payment of operation and maintenance expenses. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. During the year ended December 31, 2020, net pledged revenues of $1,035,708 were available to pay annual debt service of $500,815. As of December 31, 2020 the outstanding balance, including principal and interest was $3,492,510.

**9. LONG-TERM LIABILITIES (continued)**

**A. Revenue Bonds (continued)**

**Revenue Bonds Outstanding at December 31, 2020**

| Issue | Maturity | Interest Rates | Principal Amount |
|---|---|---|---|
| **Governmental Activities** | | | |
| 2013 Sales and Use Tax Bonds | 6/1/2035 | 1.50% - 5.00% | $ 1,590,000 |
| 2016 Sales and Use Tax Bonds | 6/1/2028 | 2.00% - 5.00% | 6,075,000 |
| 2020 Sales and Use Tax Bonds | 6/1/2035 | 1.03% - 2.42% | 18,550,000 |
| Total governmental activities | | | $ 26,215,000 |
| **Business-type activitites** | | | |
| 2012 Water and Wastewater Revenue Refunding Bonds | 12/1/2023 | 2.00% - 5.00% | $ 3,795,000 |
| 2015 Water and Wastewater Revenue Refunding Bonds | 12/1/2026 | 2.00% - 5.00% | 3,535,000 |
| 2015 Golf Course Revenue Refunding and Improvement Bonds Revenue Bonds | 12/1/2027 | 2.86% | 3,125,000 |
| 2016 Water and Wastewater Revenue Refunding Bonds | 12/1/2034 | 1.50% - 5.00% | 40,510,000 |
| Total business-type activities | | | $ 50,965,000 |

**Revenue Bond Debt Service Requirements to Maturity**

| | Government-type Activities | | Business-type Activities | |
|---|---|---|---|---|
| Year | Principal | Interest | Principal | Interest |
| 2021 | $ 1,180,000 | $ 701,157 | $ 4,185,000 | $ 2,130,800 |
| 2022 | 1,215,000 | 608,349 | 4,300,000 | 2,036,049 |
| 2023 | 1,260,000 | 567,225 | 4,505,000 | 1,861,837 |
| 2024 | 730,000 | 536,425 | 3,350,000 | 1,651,646 |
| 2025 | 1,665,000 | 502,749 | 3,545,000 | 1,493,669 |
| 2026-2030 | 9,525,000 | 1,735,084 | 16,230,000 | 5,131,384 |
| 2031-2035 | 10,640,000 | 617,440 | 14,850,000 | 1,521,200 |
| | $ 26,215,000 | $ 5,268,428 | $ 50,965,000 | $ 15,826,585 |

**9. LONG-TERM LIABILITIES (continued)**

**B. Certificates of Participation**

In September 2013, the Town issued Certificates of Participation (COPs) in the amount of $9,245,000. The purpose of the COPs was to fund the construction of the Fieldhouse at Philip S. Miller Park. Principal payments are due annually on December 1 through 2033. Interest (based on a 360-day year consisting of twelve 30-day months) shall be paid semi-annually on the 1st day of the months of June and December. The Police and Municipal Court Facility are pledged assets.

In October 2020, the Town issued Certificates of Participation (COPs) in the amount of $8,485,000. The purpose of the COPs was to fund a portion of the acquisition, construction, installation, and improvements of 308 public parking spaces in the Encore parking garage. Principal payments are due annually on December 1 through 2048, commencing December 1, 2033. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2021.

**COPs Outstanding at December 31, 2020**

| Issue | Maturity | Interest Rates | Principal Amount |
|---|---|---|---|
| **Governmental Activities** | | | |
| 2013 Parks and Recreation COPs | 12/1/2033 | 2.0% - 5.0% | $ 6,745,000 |
| 2020 Parking Fund COPs | 12/1/2048 | 4.0% | 8,485,000 |
| Total governmental activities | | | $ 15,230,000 |

**COPs Debt Service Requirements to Maturity**

| Government-type Activities | | |
|---|---|---|
| Year | Principal | Interest |
| 2021 | $ 400,000 | $ 697,780 |
| 2022 | 415,000 | 633,813 |
| 2023 | 430,000 | 617,213 |
| 2024 | 450,000 | 600,013 |
| 2025 | 465,000 | 582,013 |
| 2026-2030 | 2,660,000 | 2,575,276 |
| 2031-2035 | 3,455,000 | 1,834,950 |
| 2036-2040 | 3,025,000 | 1,134,000 |
| 2041-2045 | 2,195,000 | 623,400 |
| 2046-2048 | 1,735,000 | 142,000 |
| | $ 15,230,000 | $ 9,440,458 |

**9. LONG-TERM LIABILITIES (continued)**

**C. Notes and Leases from Direct Borrowings and Placements**

The following is a summary of notes and leases from direct borrowings and placements for the year ended December 31, 2020:

**Notes and Leases from Direct Borrowings and Placements**

| | Amount Issued | Amount Outstanding |
|---|---|---|
| **Business-type activities** | | |
| 2016 Golf Course Equipment Lease Purchase Agreement | $ 300,148 | $ 26,688 |
| 2019 Golf Course Carts Lease Purchase Agreement | 424,228 | 216,701 |
| Total Lease Purchase Agreements | 724,376 | 243,389 |
| 2019 Stormwater Notes Payable | 9,500,000 | 9,000,000 |
| Total Notes and Leases from Direct Borrowings and Placements | $ 10,224,376 | $ 9,243,389 |

*As of December 31, 2020 the Town has received $9,000,000 of the 2019 Stormwater Note proceeds. The remaining $500,000 is scheduled to be drawn on September 30, 2021 per the loan agreement.

The Town has entered into lease purchase agreements for the purchase of equipment. The assets acquired through these leases are recorded at their cost at the original lease date. Specific assets are pledged under the lease purchase agreements. Business-type assets include machinery and equipment of $724,377 less accumulated depreciation of $507,191. The present values of the minimum lease payments are as follows:

**Present Value of Minimum Lease Payments**

| Year | Business-type Activities |
|---|---|
| 2021 | $ 141,653 |
| 2022 | 114,773 |
| Total Minimum Lease Payments | 256,426 |
| Less: amount representing interest | (13,037) |
| Present value of minimum lease payments | $ 243,389 |

**9. LONG-TERM LIABILITIES (continued)**

**C. Notes and Leases from Direct Borrowings and Placements (continued)**

In December 2019, the Town entered into a loan agreement with a financial institution in the amount of $9,500,000, with an interest rate of 1.92%. The purpose of the loan was to finance Stormwater projects. As of December 31, 2020 the Town has received $9,000,000 of the proceeds. Principal payments are due annually on December 1, beginning in 2022. Interest payments are due semi-annually on June 1 and December 1. The loan is payable from the revenues of the Stormwater Fund. The Town will draw funds based on the following schedule. The repayment schedule below reflects the debt service requirements for the entire $9,500,000 loan.

| Date | Amount |
|---|---|
| December 19, 2019 (Closing) | $ 4,500,000 |
| September 30, 2020 | 4,500,000 |
| September 30, 2021 | 500,000 |
| Total | $ 9,500,000 |

**Notes Payable Debt Service Requirements to Maturity**

| | Business-type Activities | | |
|---|---|---|---|
| Year | Principal | Interest | Totals |
| 2021 | $ - | $ 172,800 | $ 172,800 |
| 2022 | 900,000 | 184,027 | 1,084,027 |
| 2023 | 975,000 | 165,120 | 1,140,120 |
| 2024 | 1,000,000 | 146,400 | 1,146,400 |
| 2025 | 1,030,000 | 127,200 | 1,157,200 |
| 2026-2030 | 5,595,000 | 327,840 | 5,922,840 |
| | $ 9,500,000 | $ 1,123,387 | $ 10,623,387 |

**9. LONG-TERM LIABILITIES (continued)**

**C. Notes and Leases from Direct Borrowings and Placements (continued)**

**Summary of Significant Terms with Finance-Related Consequences**
Property which is collateral for any of the Town's debt agreements would be subject to surrender upon significant events of default. Any terms specified in the Town's debt agreements with finance-related consequences related to significant events of default, termination events, and subjective acceleration clauses are noted below:

***Business-Type Activities***
The Town's outstanding notes related to the Golf Course Equipment Lease contains a provision that in the event of default, the holder of the lease may (A) cancel such lease, (B) require prompt return of the equipment, (C) take possession of and/or render the equipment unusable, and sell, lease or otherwise dispose of the equipment, (D) require the Town to pay, on demand, liquidated damages in an amount equal to the sum of (i) all Payments and other amounts then due and past due under such lease, and (ii) all remaining Payments for the remainder of the then-current fiscal period, and/or (E) exercise any other remedy available to the holder of the lease under law.

The Town's outstanding notes related to the Golf Cart Lease contains a provision that in the event of default, the holder of the lease may (A) cancel such lease, (B) require prompt return of the equipment, (C) take possession of and/or render the equipment unusable, and sell, lease or otherwise dispose of the equipment, (D) require the Town to pay, on demand, liquidated damages in an amount equal to the sum of (i) all Payments and other amounts then due and past due under such lease, and (ii) all remaining Payments for the remainder of the then-current fiscal period, and/or (E) exercise any other remedy available to the holder of the lease under law.

**D. Interest Expense**
Total interest expense in the amount of $1,237,504 and $1,819,428 was charged to governmental type and business type funds, respectively, for the year ended December 31, 2020.

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## 10. FUND BALANCE

| | | | | Non-major Special Revenue Funds | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | General | Transportation | Transportation Capital | Conservation Trust | Philip S. Miller | Public Art | Police Forfeiture | DDA TIF | Castle Rock Urban Renewal Authority |
| **Nonspendable** | **$ 3,451,699** | **$ 74,022** | **$ -** | **$ 1,399** | **$ 1,587** | **$ -** | **$ -** | **$ -** | **$ -** |
| Prepaid Items | 553,359 | 74,022 | - | 1,399 | 1,587 | - | - | - | - |
| Loans to other funds (long-term portion) | 2,898,340 | - | - | - | - | - | - | - | - |
| **Restricted** | **$ 11,881,852** | **$ -** | **$ 16,767,729** | **$ 463,123** | **$ -** | **$ -** | **$ 22,004** | **$ -** | **$ -** |
| TABOR | 2,124,114 | - | - | - | - | - | - | - | - |
| Grants earned, not spent | - | - | - | - | - | - | 22,004 | - | - |
| Impact Fees | - | - | 16,767,729 | - | - | - | - | - | - |
| Lottery Funds | - | - | - | 463,123 | - | - | - | - | - |
| Unspent Debt Proceeds | 9,757,738 | - | - | - | - | - | - | - | - |
| **Committed** | **$ 7,475,925** | **$ 14,792,983** | **$ -** | **$ 360,137** | **$ 254,457** | **$ 38,742** | **$ -** | **$ 808,824** | **$ -** |
| Council designation of revenue sources | - | 14,792,983 | - | 360,137 | 254,457 | 38,742 | - | 808,824 | - |
| Contractual Obligations | 410,929 | - | - | - | - | - | - | - | - |
| Economic Development | 5,657,336 | - | - | - | - | - | - | - | - |
| Parking Fund | 1,407,660 | - | - | - | - | - | - | - | - |
| **Assigned** | **$ 3,077,600** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** |
| Capital Project Carryforward | 3,077,600 | - | - | - | - | - | - | - | - |
| **Unassigned** | **$ 21,102,116** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$ -** | **$(23,203)** |
| Cash reserve policy | 12,088,021 | - | - | - | - | - | - | - | - |
| Unappropriated | 9,014,095 | - | - | - | - | - | - | - | (23,203) |
| **Total Fund Balance** | **$ 46,989,192** | **$ 14,867,005** | **$ 16,767,729** | **$ 824,659** | **$ 256,044** | **$ 38,742** | **$ 22,004** | **$ 808,824** | **$(23,203)** |

## 10. FUND BALANCE (continued)

| Non-major Capital Project Funds | | | | | | |
|---|---|---|---|---|---|---|
| Parks and Recreation Capital | Municipal Facilities Capital | Fire Capital | Police Capital | General Long-Term Planning | Total Other Governmental Funds | Total Governmental Funds |
| $ - | $ - | $ - | $ - | $ - | $ 2,986 | $ 3,528,707 |
| - | - | - | - | - | 2,986 | 630,367 |
| - | - | - | - | - | - | 2,898,340 |
| $ 8,215,713 | $ 1,163,654 | $ - | $ - | $ - | $ 9,864,494 | $ 38,514,075 |
| - | - | - | - | - | - | 2,124,114 |
| - | - | - | - | - | 22,004 | 22,004 |
| 8,215,713 | 1,163,654 | - | - | - | 9,379,367 | 26,147,096 |
| - | - | - | - | - | 463,123 | 463,123 |
| - | - | - | - | - | - | 9,757,738 |
| $ - | $ 20,037 | $ - | $ - | $ 4,849,955 | $ 6,332,152 | $ 28,601,060 |
| - | 20,037 | - | - | 4,849,955 | 6,332,152 | 21,125,135 |
| - | - | - | - | - | - | 410,929 |
| - | - | - | - | - | - | 5,657,336 |
| - | - | - | - | - | - | 1,407,660 |
| $ - | $ - | $ - | $ - | $ - | $ - | $ 3,077,600 |
| - | - | - | - | - | - | 3,077,600 |
| $ - | $ - | $ (273,691) | $ (633,136) | $ - | $ (930,030) | $ 20,172,086 |
| - | - | - | - | - | - | 12,088,021 |
| - | - | (273,691) | (633,136) | - | (930,030) | 8,084,065 |
| $ 8,215,713 | $ 1,183,691 | $ (273,691) | $ (633,136) | $ 4,849,955 | $ 15,269,602 | $ 93,893,528 |

## 11. PENSION PLANS

Town employees are covered under one of the four different pension plans, depending on occupation. Three of the plans are the General Employee Plan, Sworn Police Officers Plan and the Fire Employees Statewide Defined Benefit Plan (SWDB). The Town Manager and the Town Attorney are covered under the Executive Defined Contribution Plan. In addition to the employee pension plans, the Town also participates in an agent multiple-employer defined benefit plan that covers its volunteer fire fighters under the Volunteer Fire Pension Plan. All plans and plan amendments are approved by Town Council as a single-employer, defined contribution plans, qualified under IRS guidelines, except the two fire pension plans, an agent multiple-employer defined benefit plan and a cost sharing multiple-employer defined benefit plan, respectively.

The following table summarizes each of the Town's FPPA plans and the respective pension activity recorded in the financials.

| Plan | Net Pension Asset (Liability) | Deferred Outflows of Resources | Deferred Inflows of Resources | Pension Expense (Reduction) |
|---|---|---|---|---|
| FPPA SWDB | $ 550,949 | $ 4,102,674 | $ 928,285 | $ 534,714 |
| Volunteer Firefighter | (203,737) | 20,440 | 29,745 | 29,819 |
| Totals | $ 347,212 | $ 4,123,114 | $ 958,030 | $ 564,533 |

All plans are administered by outside trustees and, except for the Volunteer Fire Pension Plan, do not meet the standards of accounting principles generally accepted in the United States of America for inclusion as part of the reporting entity.

For purposes of measuring the net pension liability, 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 Town Fire Pension Plans and additions to/deductions from the Fire Pension Plans fiduciary net positon have been determined on the same basis as they are reported by the Fire and Police Pension Association of Colorado (FPPA). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. All employees who participate in the FPPA plans are funded through the general fund and therefore the net pension liability or net pension asset are recorded at the government-wide level only.

A description of each plan and selected financial information follows.

### A. General Employee Plan

A multi-employer defined contribution pension plan is maintained for all permanent full-time and part-time employees who work at least 20 hours per week on an annual basis. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Firefighters are excluded from the plan and are covered by a separate plan, as described in 11. D. Sworn Police Officers are excluded from the plan and are covered by a separate plan, as described in 11. C. For 2020, the plan requires mandatory employee pre-tax contributions to the plan of 4% of compensation. The Town also contributes 7% of each employees' compensation to the plan with the exception of the Town Manager and Town Attorney. As part of their employment contracts, the Town Manager and the Town Attorney receive an 11% contribution from the Town and do not have a mandatory employee contribution. The Town has no other obligations to fund this plan. Employees are permitted to contribute additional amounts beyond their 4% mandatory contribution into a deferred 457 plan. These additional amounts are invested in a deferred compensation plan pursuant to Internal Revenue Code (IRC) Section 457, see Note 12.

**11. PENSION PLANS (continued)**

**A. General Employee Plan (continued)**

The plan requires employee participation in the plan immediately upon date of hire. Vesting of employer contributions are 100% after 1 year of employment. Unvested contributions for terminated employees are returned to the Town, net of servicing fees. Employees are fully vested for their contributions immediately. All administrative costs of the plans are borne by the participants of each plan.

Employer contributions are funded by the governmental and proprietary funds. The Town's contributions for 2020 were $1,938,933. Town employees' mandatory contributions for 2020 were $1,066,634.

Plan provisions and contribution requirements are established and administered by the International City Managers Association (ICMA) Retirement Corporation and may be amended with the approval of Town Council.

**B. Executive Defined Contribution Plan**

In 2004, the Town agreed to adopt a qualified 401(a) Executive Defined Contribution plan as part of the employment contracts for the Town Manager and the Town Attorney. The Town contributed 9% of the covered employee's compensation into this plan. Vesting is based on years of service and an employee will not be fully vested until they have reached 10 years of service. The Town's contributions to the plan for the year ended December 31, 2020 were $37,739, equal to the required contributions. Plan provisions and contribution requirements are established and administered by ICMA and may be amended with the approval of Town Council.

**C. Sworn Police Officers Defined Contribution Plan**

In 2018, the Town's Sworn Police Officers were moved from the General Employee Plan and added to a new qualified 401(a) Money Purchase Retirement plan. For 2020, the plan requires mandatory employee pre-tax contributions to the plan of 5.6% of compensation. The Town also contributes 8.6% of each employees' compensation to the plan. The Town has no other obligations to fund this plan. Employees are permitted to contribute additional amounts beyond their 5.6% mandatory contribution into a deferred 457 plan. These additional amounts are invested in a deferred compensation plan pursuant to Internal Revenue Code (IRC) Section 457, see Note 12.

The plan requires employee participation in the plan immediately upon date of hire. Vesting of employer contributions are 100% after 1 year of employment. Unvested contributions for terminated employees are returned to the Town, net of servicing fees. Employees are fully vested for their contributions immediately. All administrative costs of the plans are borne by the participants of each plan.

Employer contributions are funded by the governmental funds. The Town's contributions for 2020 were $666,651. Town employees' mandatory contributions for 2020 were $434,099.

Plan provisions and contribution requirements are established and administered by the International City Managers Association (ICMA) Retirement Corporation and may be amended with the approval of Town Council.

**11. PENSION PLANS (continued)**

**D. Fire Employees - Statewide Defined Benefit Plan**

(a) Plan Description

The Town contributes to the Statewide Defined Benefit Plan (SWDB), which is a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for plan members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by FPPA. All full-time paid firefighters of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Plan provisions and contribution requirements are established and amended by FPPA. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. The FPPA Comprehensive Annual Financial Report can be obtained on FPPA's website at: www.fppaco.org/annual-reports.html.

(b) Description of Benefits

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

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

**11. PENSION PLANS (continued)**

**D. Fire Employees - Statewide Defined Benefit Plan (continued)**

(c) Contributions

Contribution rates for the Statewide Defined Benefit Plan (SWDB) are set by state statue. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statue or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

Members of the SWDB plan and their employers are contributing at the rate of 11.0% and 8%, respectively, of base salary for the total contribution rate of 19.0% in 2020. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions will remain at 8% resulting in a combined contribution rate of 20% in 2022.

The Town's contribution to the SWDB for the year ending December 31, 2020 was $713,149, equal to the required contribution for the year.

(d) Pension Asset

At December 31, 2020, the Town reported an asset of $550,949 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2019 and the total pension liability used to calculate the net pension asset was determined based upon the January 1, 2020 actuarial valuation, which is unchanged from December 31, 2019

The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. The Town's proportion measured as of December 31, 2019, was 0.974%, which was a decrease of 1.13% from its proportion measured as of December 31, 2018.

(e) Pension Expense and Deferred Outflows/Inflows of Resources

For the year ended December 31, 2020, the Town recognized pension expense for the SWDB of $534,714. At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 1,864,512 | $ 10,784 |
| Changes in assumptions | 1,046,135 | - |
| Net difference between projected and actual investment earnings | - | 866,105 |
| Changes in proportion and differences between Town contributions and proportionate share of contributions | 478,878 | 51,396 |
| Town contributions subsequent to the measurement date | 713,149 | - |
| Total | $ 4,102,674 | $ 928,285 |

**11. PENSION PLANS (continued)**

**D. Fire Employees - Statewide Defined Benefit Plan (continued)**

The $713,149 reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended December 31, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SWDB will be recognized in pension expense as follows:

| Year ending December 31 | Net Deferred Outflows (Inflows) Of Resources |
|---|---|
| 2021 | $ 242,531 |
| 2022 | 167,524 |
| 2023 | 449,287 |
| 2024 | 83,820 |
| 2025 | 458,027 |
| Thereafter | 1,060,051 |
| Total | $ 2,461,240 |

(f) Actuarial Assumptions

The January 1, 2020 actuarial valuation, based on the most recent actuarial study completed in 2019, used the following:

| | |
|---|---|
| Actuarial Method | Entry Age Normal |
| Long-term Investment Rate of Return* | 7.0% |
| Projected Salary Increases* | 4.25% - 11.25% |
| Cost of Living Adjustments (COLA) | 0.0% |
| *Includes Inflation at | 2.5% |
| Mortality | For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015. |

No changes in Assumptions. At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

**11. PENSION PLANS (continued)**

**D. Fire Employees - Statewide Defined Benefit Plan (continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation (as of December 31, 2019) are summarized in the following table:

| Asset Class | Target Allocation | Long-term Expected Real Rate of Return |
|---|---|---|
| Cash | 2% | 2.52% |
| Fixed Income | 15% | 5.20% |
| Absolute Return | 8% | 5.50% |
| Managed Futures | 4% | 5.00% |
| Equity Long/Short | 8% | 6.00% |
| Global Equity | 38% | 7.00% |
| Private Markets | 25% | 9.20% |
| Total | 100% | |

(g) Discount Rate

A discount rate of 7.00% was used to measure the total pension liability. This discount rate was based on the expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this discount rate assumed contributions from participating employers will be made based on statutorily required rates and that the plan's fiduciary net position was projected to be available to make all projected future benefit payments. 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.

**11. PENSION PLANS (continued)**

**D. Fire Employees - Statewide Defined Benefit Plan (continued)**

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

| | 1% Decrease 6.00% | Single Discount Rate Assumption 7.00% | 1% Increase 8.00% |
|---|---|---|---|
| Town's net pension liability/(asset) | $ 3,340,523 | $ (550,949) | $ (3,778,410) |

(h) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in FPPA's Annual Report.

(i) Changes Between the Measurement Date of the Net Pension Asset and December 31, 2021

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

**E. Volunteer Firefighters' Pension Plan**

(a) Plan Description – Benefits Provided

The Town participates in an agent multiple-employer defined benefit pension plan that covers its volunteer firefighters. The plan is administered and benefit provisions are executed by FPPA. This plan provides retirement benefits as well as death and disability benefits. The Town's volunteer firefighters become fully vested after 20 years of active service and reaching age 50. The benefit, payable at age 50, would be equal to the retirement benefit prorated based upon the number of years of service accrued at termination. Surviving spouses of deceased retirees are entitled to 50% of the retirement benefit until remarriage or their death. Pre-retirement death and disability benefits are only available if incurred in the line of duty. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. The FPPA Comprehensive Annual Financial Report can be obtained on FPPA's website at: www.fppaco.org/annual-reports.html. The volunteer firefighters' pension plan is closed to new entrants.

(b) Contributions

Volunteer Plan participants are not compensated and do not contribute to the plan. The Volunteer Firefighters' Pension Plan receives contributions from the Town in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado contributes up to ninety percent of the Town's contribution. The State's contribution does not meet the definition of a special funding situation as defined by GASB 68 and is considered a discretionary contribution. The State's contribution must not exceed the greater of the actuarially determined contribution or the highest State contribution during the years 1998 through 2001, which was $17,635 in 2000. The actuarial study as of January 1, 2019, indicated that the current level of contributions to the fund is adequate to support on an actuarially sound basis, the prospective benefits for the present Plan. For the year ended December 31, 2020, the Town and State contributions were $20,440 and $17,635 respectively. The 2020 State contribution of $17,635 was received in January 2021 and will be reported in the appropriate year.

**11. PENSION PLANS (continued)**

**E. Volunteer Firefighters' Pension Plan (continued)**

(c) Members Covered by Benefit Terms

Membership covered by benefit terms at December 31, 2020:

| | |
|---|---|
| Retirees and Beneficiaries | 20 |
| Active Members | 1 |
| Total | 21 |

(d) Pension Liability

At December 31, 2020, the Town reported a net pension liability of $203,737. The net pension liability was measured as of December 31, 2019. The total pension liability used to calculate the net pension liability was determined based upon the January 1, 2019 actuarial valuation. The liability was rolled forward from January 1, 2019 to December 31, 2019 using Standard Actuarial Methods.

(e) Actuarial Assumptions

The January 1, 2019 actuarial valuation based on the most recent experience study completed in 2018 used the following:

| | |
|---|---|
| Actuarial Cost Method | Entry Age Normal |
| Asset Valuation Method | 5-Year Smoothed Fair Value |
| Inflation | 2.50% |
| Salary Increases | N/A |
| Investment Rate of Return | 7.00% |
| Retirement Age | 50% per year of eligibility until 100% at age 65. |
| Mortality | **Pre-retirement:** 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.<br>**Post-retirement:** 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.<br>**Disabled:** 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. |

No changes in assumptions.

**11. PENSION PLANS (continued)**

**E. Volunteer Firefighters' Pension Plan (continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2019 are summarized in the following table:

| Asset Class | Target Allocation | Expected Rate of Return |
|---|---|---|
| Cash | 2.0% | 2.52% |
| Fixed Income | 15.0% | 5.20% |
| Absolute Return | 8.0% | 5.50% |
| Managed Futures | 4.0% | 5.00% |
| Equity Long/Short | 8.0% | 6.00% |
| Global Equity | 38.0% | 7.00% |
| Private Markets | 25.0% | 9.20% |
| Total | 100.0% | |

(f) Single Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumes that all actuarially determined contributions will be made. The plan's fiduciary net position was projected to be available to make all projected future benefit payments. 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.

**11. PENSION PLANS (continued)**

**E. Volunteer Firefighters' Pension Plan (continued)**

(g) Changes in Net Pension Liability

| | | |
|---|---|---|
| **Total Pension Liability** | | |
| Service Cost | $ | 1,095 |
| Interest on the Total Pension Liability | | 78,496 |
| Benefit changes | | - |
| Difference between expected and actual experience of the Total Pension Liability | | - |
| Changes in assumptions | | - |
| Benefit Payments | | (112,590) |
| **Net Change in Total Pension Liability (Asset)** | | (32,999) |
| **Total Pension Liability - Beginning** | | 1,176,179 |
| **Total Pension Liability - Ending** | $ | 1,143,180 |
| **Plan Fiduciary Net Pension** | | |
| Employer Contribution | $ | 20,440 |
| Net Investment Income | | 124,499 |
| Benefit Payments | | (112,590) |
| Pension Plan Administrative Expenses | | (6,857) |
| State of Colorado Supplemental Discretionary Payment | | - |
| **Net Change in Plan Fiduciary Net Pension** | | 25,492 |
| **Plan Fiduciary Net Position – Beginning (Market value of assets at beginning of year)** | | 913,951 |
| **Plan Fiduciary Net Position – Ending (Market value of assets at end of year)** | $ | 939,443 |
| **Net Pension Liability** | $ | 203,737 |

## 11. PENSION PLANS (continued)

### E. Volunteer Firefighters' Pension Plan (continued)

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

| | 1% Decrease 6.00% | Single Discount Rate Assumption 7.00% | 1% Increase 8.00% |
|---|---|---|---|
| Town's net pension liability | $ 311,539 | $ 203,737 | $ 112,286 |

(h) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial reports online at www.fppaco.org/annual-reports.html

(i) Pension Expense

For the year ended December 31, 2020, the Town recognized pension expense of $29,819.

(j) Pension Deferred Outflows/Inflows of Resources

At December 31, 2020, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|---|---|
| Net difference between projected and actual earnings on pension plan investments | $ - | $ 29,745 |
| Town contributions subsequent to the measurement date | 20,440 | - |
| Total | $ 20,440 | $ 29,745 |

**11. PENSION PLANS (continued)**

**E. Volunteer Firefighters' Pension Plan (continued)**

The $20,440 reported as deferred outflows of resources related to the Volunteer pension plan resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Volunteer pension plan will be recognized in pension expense as follows:

| Year ending December 31 | Net Deferred Outflows (Inflows) Of Resources |
|---|---|
| 2021 | $ (7,123) |
| 2022 | (11,212) |
| 2023 | 1,375 |
| 2024 | (12,785) |
| Total | $ (29,745) |

**12. DEFERRED COMPENSATION PLANS**

The Town provides employees deferred compensation plans created in accordance with IRC Section 457. These plans permit employees to defer a portion of their salary until future years.

The general employee plan is administered and benefit provisions are amended through ICMA. All full-time and part-time employees who are covered by the ICMA general employees defined contribution pension plan are eligible to participate in the ICMA deferred compensation plan. There are no contributions made by the Town.

A second IRC 457 plan is established with Colorado County Officials and Employees Retirement Association (CCOERA). The plan is administered and benefit provisions are amended through CCOERA. This plan is only available to those employees who were eligible to participate in the CCOERA defined contribution pension plan. There are no contributions made by the Town.

A third plan is available to fire employees who meet the eligibility requirements for FPPA membership. This plan is administered and benefit provisions are amended through FPPA. The Town contributes 3% of each paid fire fighter's salary. Employee participation in the 457 plans is optional. For the year ended December 31, 2020, the Town contributions were $256,564.

Deferred Compensation is only available to employees upon termination, retirement, death or unforeseeable emergency. Each plan's trustee manages investments. Several investment options are available to participants.

## 13. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The Town has agreed to partially self-insure claims for health insurance of Town employees to a maximum liability of $100,000 per covered person. For insured risks, no settlements have exceeded coverage during the past three years.

Self-insurance activities are accounted for in the accounts payable line item of the Employee Benefits Fund. The basis for estimating the liabilities of unpaid claims is by using actuarial projection techniques. Changes in claims payable were as follows:

| | 2020 | 2019 |
|---|---|---|
| Claims payable, January 1 | $ 608,771 | $ 623,377 |
| Incurred claims | 6,186,925 | 7,066,019 |
| Claims paid | (6,144,580) | (7,080,625) |
| Claims payable, December 31 | $ 651,116 | $ 608,771 |

For excess liability, property and workers compensation claims, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by an intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purpose of CIRSA is to provide members defined liability and property coverage and to provide assistance in prevention of loss to municipal property and to personal injury.

It is the intent of the members of CIRSA to create an entity in perpetuity, which will administer and use funds contributed by the members to defend and indemnify, in accordance with the bylaws, any member of CIRSA against stated liability of loss to the limit of the financial resources of CIRSA. It is also the intent of the members to have CIRSA provide continuing stability and availability of needed coverage at reasonable costs. All income and assets of CIRSA shall be at all times dedicated to the exclusive benefit of its members.

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of the unit.

In 2020, the Town's CIRSA deductibles per occurrence were:

| | |
|---|---|
| Liability | $100,000 |
| Auto Liability | $ 5,000 |
| Property | $100,000 |
| Auto Physical Damage | $100,000 |

## 14. COMMITMENTS AND CONTINGENCIES

Committed Construction
As of December 31, 2020, the Town had unexpended construction related commitments of $50,131,893.

Federal Programs
Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expect such amounts, if any, to be immaterial.

Litigation
Although the Town is subject to pending and threatened litigation, the Town's Management and the Town Attorney believe that all lawsuits and claims, which have been filed against the Town, are either adequately covered by insurance or the final settlement of uninsured matters will not have a materially adverse effect on the financial position of the Town.

Taxpayer Bill of Rights (TABOR)
In November 1992, Colorado voters approved a State Constitutional Amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues) without a vote of the local citizens. The key mechanisms for restraining growth without a vote are: 1) the prohibition of revenue and expenditure growth other than for inflation and a component for new construction growth, 2) the prohibition of new taxes or higher tax rates, 3) the prohibition of new debt, and 4) the refunding of any revenues collected in excess of the revenue limitations.

Castle Rock voters have approved certain revenue exemptions. These exemptions include: 1) a $.0075 exemption of sales and motor vehicle taxes approved in 1994 to be used for streets, trails, bridges and sidewalks, 2) a $.004 exemption of sales and motor vehicle taxes approved in 1995 to be used for transportation and the community center, and 3) approved in 2005, an exemption of all transportation impact fees and all building use taxes to be used for transportation and the community center.

TABOR further requires emergency reserves of at least 3% of fiscal year spending (excluding bonded debt service). This reserve was recorded in the General Fund as reserved fund balance of $2,124,114 as of December 31, 2020. Local governments are prohibited from use of these emergency reserves to compensate for economic conditions, revenue shortfalls, salary or benefit increases.

The Town's management believes the Town is in compliance with the provisions of TABOR.

## 15. INTERFUND TRANSACTIONS

Transactions that are representative of lending / borrowing arrangements which were outstanding at the end of the year are referred to as "Loans to / from Other Funds" or "interfund loans". Any residual balances outstanding between the governmental activities and business-type activities are reported in the Town-wide financial statements as "internal balances". Eliminations are made in interfund activities, payables and receivables. All internal balances in the Town-wide Statement of Net Position have been eliminated except those representing balances between the governmental activities and business-type activities, which are reported as internal balances and are eliminated in the total column. In the Statement of Activities, internal service fund transactions have been eliminated. Transactions between governmental and business-type activities are not eliminated.

**INTERFUND LOANS**

**REPORTING FUND**

| Fund loan from / to | Purpose | Receivable | Payable |
|---|---|---|---|
| **GOVERNMENTAL FUNDS** | | | |
| **General** | | | |
| DDA TIF | Advance for loan payoff that partially funded the Festival | $ 612,303 | $ - |
| Police Capital | Impact fees - reimburse General Fund for growth related construction | 705,928 | - |
| Police Capital | Advance for Public Safety Training Facility | 196,298 | - |
| Fire Capital | Advance for Crystal Valley Fire Station | 1,482,063 | - |
| Water Resources | Advance for Metzler Park turf replacement | - | 1,113,665 |
| Golf | Advance for debt service reserve | 500,815 | - |
| **Economic Development** | | | |
| Urban Renewal Authority | Advance for operating costs | 51,072 | - |
| Total General Fund | | 3,548,479 | 1,113,665 |

## 15. INTERFUND TRANSACTIONS (continued)

**INTERFUND LOANS (continued)**

**REPORTING FUND**

| Fund loan from / to | Purpose | Receivable | Payable |
|---|---|---|---|
| **Other Governmental Funds** | | | |
| **DDA TIF** | | | |
| General | Advance for loan payoff that partially funded the Festival Park improvement project | - | 612,303 |
| **Facilities Capital** | | | |
| Police Capital | Advance for Police Department basement renovation | 176,895 | - |
| **Fire Capital** | | | |
| General | Advance for Crystal Valley Fire Station | - | 1,482,063 |
| **Police Capital** | | | |
| General | Impact fees - reimburse General Fund for growth related const | - | 705,928 |
| General | Advance for Public Safety Training Facility | - | 196,298 |
| Facilities Capital | Advance for Police Department basement renovation | - | 176,895 |
| Total Police Capital Fund | | - | 1,079,121 |
| **Urban Renewal Authority** | | | |
| Economic Development | Advance for operating costs | - | 51,072 |
| Total Other Governmental Funds | | 176,895 | 3,224,559 |
| Total Governmental Funds | | 3,725,374 | 4,338,224 |
| **ENTERPRISE FUNDS** | | | |
| **Water Resources** | | | |
| General | Advance for Metzler Park turf replacement | 1,113,665 | - |
| **Golf** | | | |
| General | Advance for debt service reserve | - | 500,815 |
| Total Enterprise Funds | | 1,113,665 | 500,815 |
| | Total All Funds | $ 4,839,039 | $ 4,839,039 |

## 15. INTERFUND TRANSACTIONS (continued)

| REPORTING FUND<br>Fund transfer from / to | Purpose | TRANSFERS<br>Transfer In | <br>Transfer Out |
|---|---|---|---|
| **GOVERNMENTAL FUNDS** | | | |
| **General** | | | |
| Transportation | Funding for trail improvements | $ 607,754 | $ - |
| Philip S. Miller | Funding for special events | - | 175,000 |
| Municipal Facilities Capital | Interfund loan interest | 1,644 | - |
| Fire Capital | Interfund loan interest | 40,912 | - |
| Police Capital | Interfund loan interest | 15,706 | - |
| General Long Term Planning | Funding for replacement of Fire Department equipment | - | 1,003,743 |
| Golf | Interfund loan interest | 7,512 | - |
| Parking | Funding for debt payments on Parking Fund COPs | - | 1,500,000 |
| Water Resources | Funding for Metzler Park turf replacement | - | 60,395 |
| Water Resources | Interfund loan interest | - | 19,024 |
| Fleet | Purchase of new vehicles | - | 3,500 |
| DDA TIF | Interfund loan interest | 29,220 | - |
| **Economic Development** | | - | - |
| Stormwater | Funding for Stormwater Management Facilitiy Upgrades | - | 100,000 |
| **Parking** | | | |
| General | Funding for debt payments on Parking Fund COPs | 1,500,000 | - |
| Stormwater | Funding for Stormwater Management Facilitiy Upgrades | - | 93,000 |
| Total General Fund | | 2,202,748 | 2,954,662 |
| **Transportation** | | | |
| General | Funding for trail improvements | - | 607,754 |
| Total Transportation Fund | | - | 607,754 |
| **Other Governmental Funds** | | | |
| **PS Miller** | | | |
| General Fund | Funding for special events | 175,000 | - |
| **DDA TIF** | | | |
| General | Interfund loan interest | - | 29,220 |
| **Municipal Facilities Capital** | | | |
| General | Interfund loan interest | - | 1,644 |
| Police Capital | Interfund loan interest | 3,010 | - |
| **Fire Capital** | | | |
| General | Interfund loan interest | - | 40,912 |
| **Police Capital** | | | |
| General | Interfund loan interest | - | 15,706 |
| Municipal Facilities Capital | Interfund loan interest | - | 3,010 |
| Fleet | Purchase of new vehicles | - | 119,497 |
| **General Long Term Planning** | | | |
| General | Funding for replacement of Fire Department equipment | 1,003,743 | - |
| Total Other Governmental Funds | | 1,181,753 | 209,989 |

## 15. INTERFUND TRANSACTIONS (continued)

**TRANSFERS (continued)**

| REPORTING FUND<br>Fund transfer from / to | Purpose | Transfer In | Transfer Out |
|---|---|---|---|
| **ENTERPRISE FUNDS** | | | |
| **Water** | | | |
| Water Resources | Funding to offset operational expenses | - | 1,796,678 |
| Fleet | Purchase of new vehicles | - | 77,250 |
| Total Water Fund | | - | 1,873,928 |
| **Water Resources** | | | |
| Water | Funding to offset operational expenses | 1,796,678 | - |
| General Fund | Funding for Metzler Park turf replacement | 60,395 | - |
| General Fund | Interfund loan interest | 19,024 | - |
| Total Water Resources Fund | | 1,876,097 | - |
| **Stormwater** | | | |
| Economic Development | Funding for Stormwater Management Facilitiy Upgrades | 100,000 | - |
| Parking | Funding for Stormwater Management Facilitiy Upgrades | 93,000 | - |
| Total Stormwater Fund | | 193,000 | - |
| **Golf** | | | |
| General | Interfund loan interest | - | 7,512 |
| Community Center | Funding for youth golf program | 80,000 | - |
| Total Golf Fund | | 80,000 | 7,512 |
| **Community Center** | | | |
| Golf | Funding for youth golf program | - | 80,000 |
| Total Community Center Fund | | - | 80,000 |
| **INTERNAL SERVICE FUNDS** | | | |
| **Fleet** | | | |
| General | Purchase of new vehicles | 3,500 | - |
| Police Capital | Purchase of new vehicles | 119,497 | - |
| Water | Purchase of new vehicles | 77,250 | - |
| Total Fleet Fund | | 200,247 | - |
| | Total All Funds | $ 5,733,845 | $ 5,733,845 |

**15. INTERFUND TRANSACTIONS (continued)**

In 2002, the Town established the Parks, Municipal Facilities, Fire, Police, and Recreation Capital Funds. Prior to 2002, these activities were accounted for in the General Fund. At the point of the transfer, certain projects completed by the General Fund were expected to be reimbursed by development impact fees that are collected in the capital funds. To assure reimbursement of the costs, the Town recorded loans between the General Fund and the capital funds. Since the expenditures had already occurred, this resulted in the capital project funds showing fund deficits in prior years. Currently, only the Police Capital Project Fund remains in deficit from these loans.

In 2017, the Town recorded an advance from the General Fund to the Police Capital Fund of $480,000 representing its share of the new Public Safety Training Facility.

In 2017, the Town recorded a loan from the General Fund to the Fire Capital Fund of $3,000,000 to partially fund the construction of the Crystal Valley Fire Station.

In 2019, the Town recorded a loan from the General Fund to the DDA TIF Fund of $2,125,000 for a term loan payoff that partially funded the Festival Park improvement project.

**16. DEFICIT FUND BALANCES**

On December 31, 2020, the Police Capital Fund had a fund deficit of $633,136. This will be eliminated with the repayment of the loans from the collection of future development impact fees.

On December 31, 2020, the Fire Capital Fund had a fund deficit of $273,691. This will be eliminated with the repayment of the loans from the collection of future development impact fees.

On December 31, 2020, CRURA had a fund deficit of $23,203. This will be eliminated with the repayment of the loan from future CRURA TIF funds.

**17. TAX ABATEMENTS**

The Town enters into public finance agreements with developers in order to create jobs, expand the tax base, encourage existing businesses to make capital investments, and spur new office, industrial, and retail expansion and development. Town sales tax credit ordinances authorize sales tax abatements for public finance agreements. For the year ended December 31, 2020, the Town abated approximately $1,771,000 under this program.

## 18. DISCRETELY-PRESENTED COMPONENT UNITS

Castle Rock Downtown Development Authority (CRDDA)
As of December 31, 2020, all of the CRDDA's deposits were either insured by the FDIC or held in eligible depositories.

Capital assets activity for the CRDDA for the year ended December 31, 2020 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|---|---|---|---|
| Capital assets being depreciated | | | | |
| Downtown improvements | $ 112,379 | $ 12,152 | $ - | $ 124,531 |
| Ice rink site improvements | 103,065 | - | - | 103,065 |
| Ice rink equipment | 146,563 | - | - | 146,563 |
| Total capital assets being depreciated | 362,007 | 12,152 | - | 374,159 |
| Less accumulated depreciation | | | | |
| Downtown improvements | (92,140) | (10,268) | - | (102,408) |
| Ice rink site improvements | (69,026) | (10,306) | - | (79,332) |
| Ice rink equipment | (85,145) | (14,656) | - | (99,801) |
| Total accumulated depreciation | (246,311) | (35,230) | - | (281,541) |
| CRDDA capital assets, net | $ 115,696 | $ (23,078) | $ - | $ 92,618 |

Miller's Landing Business Improvement District (BID)
As of December 31, 2020, all of the Miller's Landing BID's deposits were insured by FDIC coverage and PDPA collateral.

Capital assets activity for the Miller's Landing BID for the year ended December 31, 2020 was as follows:

| | Beginning Balance | Additions | Deletions | Ending Balance |
|---|---|---|---|---|
| Capital assets not being depreciated | | | | |
| Construction in progress | $ 12,320,212 | 111,584 | - | $ 12,431,796 |
| Total capital assets not being depreciated | 12,320,212 | 111,584 | - | 12,431,796 |
| Miller's Landing BID capital assets, net | $ 12,320,212 | $ 111,584 | $ - | $ 12,431,796 |

## 18. DISCRETELY-PRESENTED COMPONENT UNITS (continued)

Miller's Landing Business Improvement District (BID) (continued)
The following is an analysis of changes in long-term obligations for the Miller's Landing BID for the year ended December 31, 2020:

| | Beginning Balance | Additions | Retirements | Ending Balance | Due Within One Year |
|---|---|---|---|---|---|
| Series 2018A Revenue Bonds-Tax Exempt | $ 8,065,000 | $ - | $ - | $ 8,065,000 | $ - |
| Series 2018B Revenue Bonds-Taxable | 13,185,000 | - | - | 13,185,000 | - |
| Developer Advances | 1,377,523 | - | - | 1,377,523 | - |
| | $ 22,627,523 | $ - | $ - | $ 22,627,523 | $ - |

## 19. RELATED PARTY TRANSACTIONS

The Castle Rock Council members are on the boards of various organizations in the region, including the Adventist Wellness Committee, Castle Rock Chamber of Commerce, Castle Rock Economic Partnership, Castle Rock Economic Development Council, Castle Rock Fire Volunteer Pension Board, Chatfield Watershed Authority, Cherry Creek Basin Water Quality Authority, Colorado Municipal League Policy Committee, Denver Regional Council of Governments, Douglas County Housing Partnership, Douglas County Youth Initiative, Downtown Development Authority, Downtown Merchants Association, Fire Pension Board, Metro Mayors Caucus, and Partnership of Douglas County Governments. In addition, the Director of Parks and Recreation is on the board of Rueter Hess Recreation Authority.

The Town made payments of the following amounts to these organizations in 2020:

Related Party Transactions

| | |
|---|---|
| Castle Rock Chamber of Commerce | $ 99,720 |
| Castle Rock Economic Development Council | 210,086 |
| Chatfield Watershed Authority | 62,925 |
| Colorado Municipal League | 24,483 |
| Denver Regional Council of Governments | 16,600 |
| Douglas County Housing Partnership | 35,000 |
| Douglas County Youth Initiative | 19,800 |
| Downtown Development Authority | 178,226 |
| Downtown Merchants Association | 75,000 |
| Rueter Hess Recreation Authority | 221,000 |

## 20. RESTATEMENT OF NET POSITION FOR REPORTING ENTITY CHANGE

Beginning net position of the Town's discretely presented component units was restated by ($3,568,027) to include the activities of the Miller's Landing Business Improvement District (BID). Since Town Council is responsible for appointing the District's Board of Directors and adopting the District's annual operating plan and budget, the Miller's Landing BID meets the requirement for inclusion as a component unit of the Town. This course of action was taken after an annual review of the component unit analysis by the Town's Finance Department.

## 21. CURRENT ECONOMIC UNCERTAINTIES

As a result of the spread of the SARS-CoV-2 virus and the incidence of COVID-19, economic uncertainties have arisen which may negatively affect the financial position, results of operations and cash flows of the Town. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

## 22. SUBSEQUENT EVENTS

In March 2021 the Town of Castle Rock's sworn police officers were provided the option to participate in the Fire and Police Pension Association (FPPA) Statewide Defined Benefit Plan. A net pension asset/liability will not be recognized until year ending December 31, 2022 due to FPPA's measurement period having a one-year lag.

As a continuation of their response to COVID-19, the federal government passed legislation that brings economic relief to state and local governments. Under the American Rescue Plan Act, the Town was allocated $5,703,100 to be used for eligible expenses incurred from March 3, 2021 through December 31, 2024. The first half of the allocation, in the amount of $2,851,550, was received as an advance by the Town in May 2021.

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# SUPPLEMENTARY INFORMATION

Required Supplementary Information

Combining and Individual Fund Statements and Schedules

# Required Supplementary Information

*Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios for the Volunteer Firefighters' Pension Plan*

*Schedule of Contributions for the Volunteer Firefighters' Pension Plan*

*Schedule of Contributions for the Statewide Defined Benefit Pension Plan*

*Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) for the Statewide Defined Benefit Pension Plan*

*Schedule of Revenues and Expenditures and Changes in Funds Available*
- *General Fund*
- *Transportation Fund*

*Note to Required Supplementary Information*

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TOWN OF CASTLE ROCK, COLORADO

## SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS
## FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)
## VOLUNTEER FIRE PENSION PLAN
## LAST TEN YEARS (to be built prospectively)

| Measurement period ending December 31, | 2019 | 2018 |
|---|---|---|
| **Total Pension Liability** | | |
| Service Cost | $ 1,095 | $ 2,879 |
| Interest on the Total Pension Liability | 78,496 | 84,888 |
| Benefit Changes | - | - |
| Difference between Expected and Actual Experience | - | (26,200) |
| Assumption Changes | - | 40,977 |
| Benefit Payments | (112,590) | (111,578) |
| **Net Change in Total Pension Liability** | (32,999) | (9,034) |
| **Total Pension Liability - Beginning** | 1,176,179 | 1,185,213 |
| **Total Pension Liability - Ending (a)** | $ 1,143,180 | $ 1,176,179 |
| **Plan Fiduciary Net Position** | | |
| Employer Contributions | $ 20,440 | $ 20,440 |
| Pension Plan Net Investment Income | 124,499 | 689 |
| Benefit Payments | (112,590) | (111,578) |
| Pension Plan Administrative Expense | (6,857) | (5,163) |
| State of Colorado supplemental discretionary payment | - | 17,635 |
| **Net Change in Plan Fiduciary Net Position** | 25,492 | (77,977) |
| **Plan Fiduciary Net Position - Beginning** | 913,951 | 991,928 |
| **Plan Fiduciary Net Position - Ending (b)** | $ 939,443 | $ 913,951 |
| **Net Pension Liability/(Asset) - Ending (a) - (b)** | $ 203,737 | $ 262,228 |
| **Plan Fiduciary Net Position as a Percentage of Total Pension Liability** | 82.18% | 77.71% |
| **Covered Payroll** | N/A | N/A |
| **Net Pension Liability as a Percentage of Covered Payroll** | N/A | N/A |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

| 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|
| $ 2,879 | $ 2,861 | $ 2,861 | $ 3,761 |
| 86,346 | 82,814 | 84,409 | 66,823 |
| - | - | - | 118,071 |
| - | 28,112 | - | 154,102 |
| - | 40,514 | - | - |
| (105,840) | (108,540) | (108,540) | (107,146) |
| (16,615) | 45,761 | (21,270) | 235,611 |
| 1,201,828 | 1,156,067 | 1,177,337 | 941,726 |
| $ 1,185,213 | $ 1,201,828 | $ 1,156,067 | $ 1,177,337 |
| $ 20,440 | $ 20,440 | $ 20,440 | $ 20,440 |
| 130,343 | 48,736 | 18,015 | 67,171 |
| (105,840) | (108,540) | (108,540) | (107,146) |
| (5,149) | (1,735) | (3,747) | (1,914) |
| 17,635 | 17,635 | 17,635 | 17,635 |
| 57,429 | (23,464) | (56,197) | (3,814) |
| 934,499 | 957,963 | 1,014,160 | 1,017,974 |
| $ 991,928 | $ 934,499 | $ 957,963 | $ 1,014,160 |
| $ 193,285 | $ 267,329 | $ 198,104 | $ 163,177 |
| 83.69% | 77.76% | 82.86% | 86.14% |
| N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

TOWN OF CASTLE ROCK, COLORADO

## SCHEDULE OF CONTRIBUTIONS
## FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)
## VOLUNTEER FIRE PENSION PLAN
## LAST TEN FISCAL YEARS (to be built prospectively)

| | 2020 | 2019 |
|---|---|---|
| Actuarially determined contributions | $ 25,013 | $ 25,867 |
| Contributions in relation to the actuarially determined contribution * | 38,075 | 20,440 |
| Contribution deficiency (excess) | $ (13,062) | $ 5,427 |
| Town's covered payroll | N/A | N/A |
| Contributions as a percentage of covered payroll | N/A | N/A |

*Includes both employer contributions and State of Colorado Supplemental Discretionary Payment for all years except 2019. For 2019, this includes employer contributions only.

**Notes to Schedule**

Actuarially determined contribution rates are calculated as of January 1 of odd number years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2019 determines the contribution amounts for 2020 and 2021.

**Methods and Assumptions Used to Determine Contribution Rates:**

| | |
|---|---|
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level Dollar, Open* |
| Remaining Amortization Period | 20 Years* |
| Asset Valuation Method | 5-Year smoothed fair value |
| Inflation | 0.025 |
| Salary Increases | N/A |
| Investment Rate of Return | 7.0% |
| Retirement Age | 50% per year of eligibility until 100% at age 65. |
| Mortality | Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all year, 50% multiplier for off-duty mortality.<br>Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.<br>Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. |

* Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

Changes in Assumptions. Effective for the January 1, 2019 valuation the investment rate of return decreased from 7.5% to 7.0% and the mortality tables were updated.

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

| 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|
| $ 25,867 | $ 18,141 | $ 18,141 | $ 12,770 |
| 38,075 | 38,075 | 38,075 | 38,075 |
| $ (12,208) | $ (19,934) | $ (19,934) | $ (25,305) |
| N/A | N/A | N/A | N/A |
| N/A | N/A | N/A | N/A |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

TOWN OF CASTLE ROCK, COLORADO

## SCHEDULE OF CONTRIBUTIONS
## FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)
## STATEWIDE DEFINED BENEFIT PENSION PLAN
## LAST TEN FISCAL YEARS (to be built prospectively)

| | * 2020 |
|---|---|
| Statutorily required contributions | $ 713,149 |
| Contributions in relation to the statutorily required contribution | 713,149 |
| Contribution deficiency (excess) | $ - |
| Town's covered payroll | $ 8,914,365 |
| Contributions as a percentage of covered payroll | 8.0% |

* The amounts presented as of the current year end, December 31, 2020.

**Methods and Assumptions Used to Determine Contribution:**

Actuarial valuations done every year. Actuarial assumptions as of January 1, 2019 were used in the determination of the actuarially determined contributions as of December 31, 2019, which represents contributions required in 2020.

| | |
|---|---|
| Actuarial Valuation Date | January 1, 2019 |
| Actuarial Cost Method | Entry Age Normal |
| Amortization Method | Level % of Payroll, Open |
| Amortization Period | 30 Years |
| Long-term Investment Rate of Return* | 7.0% |
| Projected Salary Increases* | 4.25% - 11.25% |
| Cost of Living Adjustments (COLA) | 0% |
| *Includes Inflation at | 2.5% |

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

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions.

*Changes in actuarial assumptions effective for 2019:* The real return on investments assumption was reduced from 5.0% to 4.50% while the inflation assumption remained unchanged at 2.50% for a reduced overall nominal investment return of 7.00% from 7.50%. In addition, the productivity component of the salary scale assumption increased from 1.50% to 1.75%; when combined with the 2.50% inflation rate, this creates an ultimate salary scale assumption of 4.25%. For demographic assumptions, the blue collar adjustment was removed from the mortality tables being used and the mortality projection scale was updated from Scale BB to the ultimate rates of the MP-2017 projection scale. In addition, disability rates were increased for members covered by a defined benefit program and retirement rates were slightly modified to reflect increased retirement utilization for low service members and slightly decreased normal retirement rates after age 55.

*Changes in actuarial assumptions effective for 2016:* The inflation assumption was reduced from 3.0% to 2.5% while the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% which is unchanged from the prior year. In addition, an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased.

*Changes in actuarial assumptions effective for 2014:* The married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| $ 574,390 | $ 596,522 | $ 530,936 | $ 505,553 | $ 476,284 |
| 574,390 | 596,522 | 530,936 | 505,553 | 476,284 |
| $ - | $ - | $ - | $ - | $ - |
| $ 7,179,869 | $ 7,456,522 | $ 6,636,696 | $ 6,319,413 | $ 5,953,555 |
| 8.0% | 8.0% | 8.0% | 8.0% | 8.0% |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

TOWN OF CASTLE ROCK, COLORADO

## SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)
## FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)
## STATEWIDE DEFINED BENEFIT PENSION PLAN
## LAST TEN FISCAL YEARS (to be built prospectively)

| | 2020 * | 2019 |
|---|---|---|
| Town's proportion of the net pension liability (asset) | 0.974% | 1.113% |
| Town's proportionate share of the net pension liability (asset) | $ (550,949) | $ 1,407,329 |
| Town's covered payroll | $ 7,179,869 | $ 7,456,522 |
| Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll | -7.674% | 18.874% |
| Plan fiduciary net position as a percentage of the total pension liability | 101.937% | 95.235% |

* The amounts presented as of the measurement date, December 31, 2019.

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

| 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|
| 1.135% | 1.235% | 1.228% | 1.232% |
| $ (1,632,323) | $ 446,175 | $ (21,650) | $ (1,390,185) |
| $ 6,636,696 | $ 6,319,413 | $ 5,953,555 | $ 5,602,212 |
| -24.595% | 7.060% | -0.364% | -24.815% |
| 106.339% | 98.213% | 100.095% | 106.828% |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | General Fund | | | |
|---|---|---|---|---|
| | Budgets | | | |
| | Original | Final | Budgetary Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Taxes | $ 44,787,001 | $ 44,787,001 | $ 45,882,862 | $ 1,095,861 |
| Charges for services | 2,562,273 | 2,562,273 | 2,207,948 | (354,325) |
| Management fees | 4,308,918 | 4,308,918 | 4,308,917 | (1) |
| Licenses and permits | 102,535 | 102,535 | 145,959 | 43,424 |
| Fines and forfeitures | 422,048 | 422,048 | 270,019 | (152,029) |
| Investment earnings | 238,391 | 238,391 | 412,415 | 174,024 |
| Intergovernmental | 307,650 | 307,650 | 3,475,127 | 3,167,477 |
| Other | 444,186 | 519,186 | 748,864 | 229,678 |
| Total revenues | 53,173,002 | 53,248,002 | 57,452,111 | 4,204,109 |
| **EXPENDITURES** | | | | |
| General government | | | | |
| Town council | 612,586 | 358,005 | 335,510 | 22,495 |
| Town manager | 8,474,982 | 7,863,048 | 7,407,600 | 455,448 |
| Town attorney | 910,939 | 906,457 | 867,111 | 39,346 |
| Finance | 2,848,906 | 2,809,463 | 2,757,613 | 51,850 |
| Municipal court | 435,439 | 379,150 | 330,212 | 48,938 |
| Non-departmental | 1,055,244 | 4,271,737 | 2,632,158 | 1,639,579 |
| Long-range planning | 647,968 | 289,156 | 284,793 | 4,363 |
| Total general government | 14,986,064 | 16,877,016 | 14,614,997 | 2,262,019 |
| Public Safety | | | | |
| Police | 16,192,178 | 15,206,468 | 14,782,309 | 424,159 |
| Fire | 16,731,244 | 15,003,615 | 14,677,258 | 326,357 |
| Total public safety | 32,923,422 | 30,210,083 | 29,459,567 | 750,516 |
| Culture and recreation | | | | |
| Parks and open space | 4,893,365 | 4,289,162 | 4,103,913 | 185,249 |
| Total culture and recreation | 4,893,365 | 4,289,162 | 4,103,913 | 185,249 |
| Capital outlay | 370,202 | 4,411,630 | 1,827,051 | 2,584,579 |
| Debt Service | | | | |
| Debt issue costs | - | - | - | - |
| Total debt service | - | - | - | - |
| Total expenditures | 53,173,053 | 55,787,891 | 50,005,528 | 5,782,363 |
| Excess (deficiency) of revenues over (under) expenditures | (51) | (2,539,889) | 7,446,583 | 9,986,472 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | 1,014,145 | 1,918,497 | 2,289,481 | 370,984 |
| Interfund loan interest | 113,149 | 113,149 | 94,994 | (18,155) |
| Issuance of debt | - | - | - | - |
| Issuance of COP - premium | - | - | - | - |
| Transfers in | 607,754 | 656,964 | 607,754 | (49,210) |
| Interfund loan principal | - | (94,186) | (154,582) | (60,396) |
| Interfund loan interest | - | (19,024) | (19,024) | - |
| Transfers out | (1,192,049) | (2,604,549) | (2,742,638) | (138,089) |
| Total other financing sources (uses) | 542,999 | (29,149) | 75,985 | 105,134 |
| Net change in funds available | 542,948 | (2,569,038) | 7,522,568 | 10,091,606 |
| Funds available - January 1 | 16,205,485 | 20,209,076 | 20,209,076 | - |
| Funds available - December 31 | $ 16,748,433 | $ 17,640,038 | $ 27,731,644 | $ 10,091,606 |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Advance to other funds | | | 196,298 | |
| Loans to other funds | | | 3,301,109 | |
| Loans from other funds | | | (1,113,665) | |
| Fund balance - December 31 | | | $ 30,115,386 | |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

| Economic Development | | | | Parking | | | |
|---|---|---|---|---|---|---|---|
| Budgets | | | Variance with Final Budget Positive (Negative) | Budgets | | | Variance with Final Budget Positive (Negative) |
| Original | Final | Budgetary Actual | | Original | Final | Budgetary Actual | |
| $ 676,238 | $ 676,238 | $ 1,881,788 | $ 1,205,550 | $ - | $ - | $ - | $ - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 28,279 | 28,279 | 140,583 | 112,304 | - | - | 661 | 661 |
| - | - | 61,031 | 61,031 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 704,517 | 704,517 | 2,083,402 | 1,378,885 | - | - | 661 | 661 |
| - | - | - | - | - | - | - | - |
| 1,848,248 | 3,772,647 | 1,094,197 | 2,678,450 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| 1,848,248 | 3,772,647 | 1,094,197 | 2,678,450 | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | 295,865 | 194,979 | 100,886 |
| - | - | - | - | - | 295,865 | 194,979 | 100,886 |
| 1,848,248 | 3,772,647 | 1,094,197 | 2,678,450 | - | 295,865 | 194,979 | 100,886 |
| (1,143,731) | (3,068,130) | 989,205 | 4,057,335 | - | (295,865) | (194,318) | 101,547 |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | 8,578,149 | 8,485,000 | (93,149) |
| - | - | - | - | - | 1,467,716 | 1,467,716 | - |
| - | - | - | - | - | 1,500,000 | 1,500,000 | - |
| - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - |
| - | - | (100,000) | (100,000) | - | - | (93,000) | (93,000) |
| - | - | (100,000) | (100,000) | - | 11,545,865 | 11,359,716 | (186,149) |
| (1,143,731) | (3,068,130) | 889,205 | 3,957,335 | - | 11,250,000 | 11,165,398 | (84,602) |
| 2,143,731 | 4,768,131 | 4,768,131 | - | - | - | - | - |
| $ 1,000,000 | $ 1,700,001 | $ 5,657,336 | $ 3,957,335 | $ - | $ 11,250,000 | $ 11,165,398 | $ (84,602) |
| | | - | | | | - | |
| | | 51,072 | | | | - | |
| | | - | | | | - | |
| | | $ 5,708,408 | | | | $ 11,165,398 | |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE (CONTINUED)

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Total General Fund | | | |
|---|---|---|---|---|
| | Budgets | | | |
| | Original | Final | Budgetary Actual | Variance with Final Budget Positive (Negative) |
| **REVENUES** | | | | |
| Taxes | $ 45,463,239 | $ 45,463,239 | $ 47,764,650 | $ 2,301,411 |
| Charges for services | 2,562,273 | 2,562,273 | 2,207,948 | (354,325) |
| Management fees | 4,308,918 | 4,308,918 | 4,308,917 | (1) |
| Licenses and permits | 102,535 | 102,535 | 145,959 | 43,424 |
| Fines and forfeitures | 422,048 | 422,048 | 270,019 | (152,029) |
| Investment earnings | 266,670 | 266,670 | 553,659 | 286,989 |
| Intergovernmental | 307,650 | 307,650 | 3,536,158 | 3,228,508 |
| Other | 444,186 | 519,186 | 748,864 | 229,678 |
| Total revenues | 53,877,519 | 53,952,519 | 59,536,174 | 5,583,655 |
| **EXPENDITURES** | | | | |
| General government | | | | |
| Town council | 612,586 | 358,005 | 335,510 | 22,495 |
| Town manager | 10,323,230 | 11,635,695 | 8,501,797 | 3,133,898 |
| Town attorney | 910,939 | 906,457 | 867,111 | 39,346 |
| Finance | 2,848,906 | 2,809,463 | 2,757,613 | 51,850 |
| Municipal court | 435,439 | 379,150 | 330,212 | 48,938 |
| Non-departmental | 1,055,244 | 4,271,737 | 2,632,158 | 1,639,579 |
| Long-range planning | 647,968 | 289,156 | 284,793 | 4,363 |
| Total general government | 16,834,312 | 20,649,663 | 15,709,194 | 4,940,469 |
| Public Safety | | | | |
| Police | 16,192,178 | 15,206,468 | 14,782,309 | 424,159 |
| Fire | 16,731,244 | 15,003,615 | 14,677,258 | 326,357 |
| Total public safety | 32,923,422 | 30,210,083 | 29,459,567 | 750,516 |
| Culture and recreation | | | | |
| Parks and open space | 4,893,365 | 4,289,162 | 4,103,913 | 185,249 |
| Total culture and recreation | 4,893,365 | 4,289,162 | 4,103,913 | 185,249 |
| Capital outlay | 370,202 | 4,411,630 | 1,827,051 | 2,584,579 |
| Debt Service | | | | |
| Debt issue costs | - | 295,865 | 194,979 | 100,886 |
| Total debt service | - | 295,865 | 194,979 | 100,886 |
| Total expenditures | 55,021,301 | 59,856,403 | 51,294,704 | 8,561,699 |
| Excess (deficiency) of revenues over (under) expenditures | (1,143,782) | (5,903,884) | 8,241,470 | 14,145,354 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | 1,014,145 | 1,918,497 | 2,289,481 | 370,984 |
| Interfund loan interest | 113,149 | 113,149 | 94,994 | (18,155) |
| Issuance of debt | - | 8,578,149 | 8,485,000 | (93,149) |
| Issuance of COP - premium | - | 1,467,716 | 1,467,716 | - |
| Transfers in | 607,754 | 2,156,964 | 2,107,754 | (49,210) |
| Interfund loan principal | - | (94,186) | (154,582) | (60,396) |
| Interfund loan interest | - | (19,024) | (19,024) | - |
| Transfers out | (1,192,049) | (2,604,549) | (2,935,638) | (331,089) |
| Total other financing sources (uses) | 542,999 | 11,516,716 | 11,335,701 | (181,015) |
| Net change in funds available | (600,783) | 5,612,832 | 19,577,171 | 13,964,339 |
| Funds available - January 1 | 18,349,216 | 24,977,207 | 24,977,207 | - |
| Funds available - December 31 | $ 17,748,433 | $ 30,590,039 | $ 44,554,378 | $ 13,964,339 |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Advance to other funds | | | 196,298 | |
| Loans to other funds | | | 3,352,181 | |
| Loans from other funds | | | (1,113,665) | |
| Fund balance - December 31 | | | $ 46,989,192 | |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

TOWN OF CASTLE ROCK, COLORADO

TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Sales taxes | $ 12,523,570 | $ 12,523,570 | $ 13,077,347 | $ 553,777 |
| Building use taxes | 2,432,757 | 2,432,757 | 3,507,004 | 1,074,247 |
| Vehicle use taxes | 2,398,204 | 2,398,204 | 2,214,112 | (184,092) |
| Charges for services | - | - | 118 | 118 |
| Investment earnings | 73,378 | 73,378 | 168,803 | 95,425 |
| Intergovernmental | 7,590,947 | 7,770,947 | 7,447,683 | (323,264) |
| Other | 157,050 | 157,050 | 188,131 | 31,081 |
| Total revenues | 25,175,906 | 25,355,906 | 26,603,198 | 1,247,292 |
| **EXPENDITURES** | | | | |
| Administration | 486,410 | 3,699,212 | 370,141 | 3,329,071 |
| Street operations | 8,297,025 | 8,231,560 | 7,925,827 | 305,733 |
| Traffic operations | 3,752,629 | 3,771,785 | 3,155,283 | 616,502 |
| Public transit | 92,536 | 92,536 | 68,437 | 24,099 |
| Engineering | 1,971,363 | 1,944,338 | 1,457,286 | 487,052 |
| Street improvement program | 6,780,000 | 5,621,347 | 4,619,306 | 1,002,041 |
| Total public works | 21,379,963 | 23,360,778 | 17,596,280 | 5,764,498 |
| Capital outlay | 4,357,300 | 5,305,636 | 1,069,323 | 4,236,313 |
| **DEBT SERVICE** | | | | |
| Principal | 635,000 | 635,000 | 635,000 | - |
| Interest | 267,325 | 267,325 | 267,325 | - |
| Agency fees | - | - | 300 | (300) |
| Total debt service | 902,325 | 902,325 | 902,625 | (300) |
| Total expenditures | 26,639,588 | 29,568,739 | 19,568,228 | 10,000,511 |
| Excess (deficiency) of revenues over (under) expenditures | (1,463,682) | (4,212,833) | 7,034,970 | 11,247,803 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | (2,107,754) | (607,754) | (607,754) | - |
| Total other financing sources (uses) | (2,107,754) | (607,754) | (607,754) | - |
| Net change in funds available | (3,571,436) | (4,820,587) | 6,427,216 | 11,247,803 |
| Funds available - January 1 | 5,707,922 | 8,439,789 | 8,439,789 | - |
| Funds available - December 31 | $ 2,136,486 | $ 3,619,202 | $ 14,867,005 | $ 11,247,803 |

The notes to the required supplementary information are an integral part of the required supplementary information schedules.

# NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
# DECEMBER 31, 2020

## 1. Budgets and Budgetary Accounting

Annual appropriations are adopted for all funds.

For the governmental funds, the Town budgets on a basis consistent with generally accepted accounting principles (GAAP), except that interfund loans are treated as revenues of the receiving fund and expenditures of the loaning fund in the year that the loan is made. Principal payments of interfund loans are treated as expenditures of the paying fund and revenues of the receiving fund.

For proprietary funds, the Town budgets on a basis consistent with GAAP except as follows: (1) purchases of capital assets are reported expenditures (capital outlay), (2) debt service principal payments are treated as budgetary expenditures, (3) proceeds from bond issues are treated as revenues, (4) bond issue and discount costs are treated as expenditures of the period, (5) amortization and depreciation of capital assets are not budgeted and (6) interfund loans are treated as revenues of the receiving fund and expenditures of the loaning fund in the year that the loan is made. Principal payments of interfund loans are treated as expenditures of the paying fund and revenues of the receiving fund.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

(a) Prior to November 1, the Town Manager submits to the Town Council a proposed operating and capital budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.

(b) Public hearings are conducted at special Town Council Meetings to obtain taxpayer comments.

(c) The Town's mill levy is formally certified to the Douglas County Treasurer prior to December 15, based on the budget.

(d) Prior to December 31, the budget is legally enacted through passage of an ordinance. Adoption of the budget ordinance constitutes appropriations of amounts specified therein as expenditures from the funds indicated. If during the year, the Town Manager certifies that there are revenues available for appropriation in excess of those estimated in the budget, the Council may, by ordinance, make supplemental appropriations for the year up to the amount of such excess. If during the year, the Town Manager determines that the revenues available will be insufficient to meet the amount appropriated, the Council may by ordinance reduce one or more appropriations. At any time during the year, the Town Manager may transfer part or all of any unencumbered appropriation balance amount between departments within a fund.

(e) Expenditures may not legally exceed budgeted appropriations at the fund level. Appropriations may not legally exceed estimated revenues and budgetary fund balances (reserves) estimated as available.

(f) All appropriations lapse at year-end.

# Supplemental Information

*Combining and Individual Fund Statements and Schedules*

# GENERAL FUND

**General Fund**

The General Fund is the primary operating fund of the Town. This fund accounts for all financial resources of the Town except those required to be accounted for in another fund. There are two sub-funds of the General Fund: Economic Development and Parking. Economic Development is used to facilitate expansion of the tax base, through primary job creation and improved local economy. Parking is used to account for public parking garage maintenance and debt payments related to the Encore Redevelopment Agreement.

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND

COMBINING BALANCE SHEET

DECEMBER 31, 2020

| | General Fund | Economic Development Fund | Parking Fund | Total General Funds |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and cash equivalents | $ 13,093,644 | $ 1,135,912 | $ 1,407,660 | $ 15,637,216 |
| Investments | 11,884,912 | 4,314,192 | - | 16,199,104 |
| Restricted cash and investments | - | 800,000 | 9,757,738 | 10,557,738 |
| Receivables | | | | |
| Property taxes | 1,405,352 | - | - | 1,405,352 |
| Sales taxes | 5,256,903 | - | - | 5,256,903 |
| Accounts, net of allowance of $252,779 | 3,448,654 | 228,868 | - | 3,677,522 |
| Prepaid items | 553,359 | - | - | 553,359 |
| Advance to other funds | 196,298 | - | - | 196,298 |
| Loans to other funds | 3,301,109 | 51,072 | - | 3,352,181 |
| Total assets | $ 39,140,231 | $ 6,530,044 | $ 11,165,398 | $ 56,835,673 |
| **LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES** | | | | |
| Liabilities | | | | |
| Accounts payable | $ 2,023,833 | $ 21,636 | $ - | $ 2,045,469 |
| Accounts payable from restricted assets | - | 800,000 | - | 800,000 |
| Deposits | 3,080,710 | - | - | 3,080,710 |
| Unearned revenues | 1,103,207 | - | - | 1,103,207 |
| Loans from other funds | 1,113,665 | - | - | 1,113,665 |
| Total liabilities | 7,321,415 | 821,636 | - | 8,143,051 |
| Deferred inflows of resources | | | | |
| Property taxes | 1,405,352 | - | - | 1,405,352 |
| Sales taxes | 293,578 | - | - | 293,578 |
| Unavailable fund resources | 4,500 | - | - | 4,500 |
| Total liabilities and deferred inflows of resources | 9,024,845 | 821,636 | - | 9,846,481 |
| Fund balances (deficits) | | | | |
| Nonspendable | 3,400,627 | 51,072 | - | 3,451,699 |
| Restricted | 2,124,114 | - | 9,757,738 | 11,881,852 |
| Committed | 410,929 | 5,657,336 | 1,407,660 | 7,475,925 |
| Assigned | 3,077,600 | - | - | 3,077,600 |
| Unassigned | 21,102,116 | - | - | 21,102,116 |
| Total fund balances | 30,115,386 | 5,708,408 | 11,165,398 | 46,989,192 |
| Total liabilities, deferred inflows of resources and fund balances | $ 39,140,231 | $ 6,530,044 | $ 11,165,398 | $ 56,835,673 |

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2020

| | General Fund | Economic Development Fund | Parking Fund | Total General Funds |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Taxes | | | | |
| Property | $ 1,332,644 | $ - | $ - | $ 1,332,644 |
| Sales | 37,579,999 | - | - | 37,579,999 |
| Use | - | 1,881,788 | - | 1,881,788 |
| Motor vehicle | 4,082,645 | - | - | 4,082,645 |
| Other taxes | 2,887,574 | - | - | 2,887,574 |
| Charges for services | 2,207,948 | - | - | 2,207,948 |
| Management fees | 4,308,917 | - | - | 4,308,917 |
| Licenses and permits | 145,959 | - | - | 145,959 |
| Fines and forfeitures | 270,019 | - | - | 270,019 |
| Investment earnings | 412,415 | 140,583 | 661 | 553,659 |
| Intergovernmental | 3,475,127 | 61,031 | - | 3,536,158 |
| Contributions and donations | 81,969 | - | - | 81,969 |
| Other | 666,895 | - | - | 666,895 |
| Total revenues | 57,452,111 | 2,083,402 | 661 | 59,536,174 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government | 14,614,997 | 1,094,197 | - | 15,709,194 |
| Public safety | 29,459,567 | - | - | 29,459,567 |
| Culture and recreation | 4,103,913 | - | - | 4,103,913 |
| Capital outlay | 1,827,051 | - | - | 1,827,051 |
| Debt service | | | | |
| Debt issue costs | - | - | 194,979 | 194,979 |
| Total expenditures | 50,005,528 | 1,094,197 | 194,979 | 51,294,704 |
| Excess (deficiency) of revenues over (under) expenditures | 7,446,583 | 989,205 | (194,318) | 8,241,470 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Issuance of debt | - | - | 8,485,000 | 8,485,000 |
| Issuance of COP - premium | - | - | 1,467,716 | 1,467,716 |
| Transfers in | 702,748 | - | 1,500,000 | 2,202,748 |
| Transfers out | (2,761,662) | (100,000) | (93,000) | (2,954,662) |
| Total other financing sources (uses) | (2,058,914) | (100,000) | 11,359,716 | 9,200,802 |
| Net change in fund balance | 5,387,669 | 889,205 | 11,165,398 | 17,442,272 |
| Fund balances - January 1 | 24,727,717 | 4,819,203 | - | 29,546,920 |
| Fund balances - December 31 | $ 30,115,386 | $ 5,708,408 | $ 11,165,398 | $ 46,989,192 |

# OTHER
# GOVERNMENTAL FUNDS

The statements that follow combine the non-major governmental funds as “other governmental funds”. These totals are comprised of non-major special revenue funds and non-major capital project funds, which are aggregated into the “Other Governmental Funds” column. Also included are major capital project funds Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis).

**Non-major Special Revenue Funds**
Special revenue funds account for revenues from specific sources that are legally or by management decision required to be used for particular activities. This column combines all non-major special revenue funds.

**Major Capital Project Funds**
Capital project funds account for financial resources used for the construction and acquisition of major capital projects such as streets and parks.

**Non-major Capital Project Funds**
Capital project funds account for financial resources used for the construction and acquisition of major capital projects such as information systems and Town facilities. This column aggregates all non-major capital project funds of the Town.

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

| | Non-major Special Revenue | Non-major Capital Funds | Total Other Governmental Funds |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | $ 3,612,126 | $ 11,409,677 | $ 15,021,803 |
| Investments | 49,500 | 4,584,073 | 4,633,573 |
| Cash held in escrow | 4,166,457 | - | 4,166,457 |
| Accounts receivable | 7,149 | 15,987 | 23,136 |
| Prepaid items | 2,986 | - | 2,986 |
| Loans to other funds | - | 176,895 | 176,895 |
| Total assets | $ 7,838,218 | $ 16,186,632 | $ 24,024,850 |
| **LIABILITIES AND FUND BALANCES** | | | |
| Liabilities | | | |
| Accounts payable | $ 98,457 | $ 282,916 | $ 381,373 |
| Retainage payable | 10,203 | - | 10,203 |
| Due to component unit | 150,329 | - | 150,329 |
| Line of credit | 782,327 | - | 782,327 |
| Unearned revenues | 4,206,457 | - | 4,206,457 |
| Advance from other funds | - | 196,298 | 196,298 |
| Loans from other funds | 663,375 | 2,364,886 | 3,028,261 |
| Total liabilities | 5,911,148 | 2,844,100 | 8,755,248 |
| Fund balances (deficits) | | | |
| Nonspendable | 2,986 | - | 2,986 |
| Restricted | 485,127 | 9,379,367 | 9,864,494 |
| Committed | 1,462,160 | 4,869,992 | 6,332,152 |
| Unassigned | (23,203) | (906,827) | (930,030) |
| Total fund balances (deficits) | 1,927,070 | 13,342,532 | 15,269,602 |
| Total liabilities and fund balances | $ 7,838,218 | $ 16,186,632 | $ 24,024,850 |

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR GOVERNMENTAL FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Non-major Special Revenue | Non-major Capital Funds | Total Other Governmental Funds |
|---|---|---|---|
| **REVENUES** | | | |
| Taxes | $ 1,827,009 | $ 2,063,853 | $ 3,890,862 |
| Charges for services | 60,269 | - | 60,269 |
| Development impact fees | - | 9,416,518 | 9,416,518 |
| Licenses and permits | 118,733 | - | 118,733 |
| Investment earnings | 3,901 | 155,237 | 159,138 |
| Intergovernmental | 541,705 | 62,034 | 603,739 |
| Contributions and donations | 313,085 | - | 313,085 |
| Other | 3,966 | 669 | 4,635 |
| Total revenues | 2,868,668 | 11,698,311 | 14,566,979 |
| **EXPENDITURES** | | | |
| General government | 1,939,900 | 501,175 | 2,441,075 |
| Public safety | - | 716 | 716 |
| Culture and recreation | 778,108 | 125,132 | 903,240 |
| Capital Outlay | 389,529 | 602,083 | 991,612 |
| Debt Service | | | |
| Principal | - | 385,000 | 385,000 |
| Interest | - | 323,813 | 323,813 |
| Agency fees | - | 2,000 | 2,000 |
| Total expenditures | 3,107,537 | 1,939,919 | 5,047,456 |
| Excess (deficiency) of revenues over (under) expenditures | (238,869) | 9,758,392 | 9,519,523 |
| **OTHER FINANCING SOURCES (USES)** | | | |
| Transfers in | 175,000 | 1,006,753 | 1,181,753 |
| Transfers out | (29,220) | (180,769) | (209,989) |
| Total other financing sources (uses) | 145,780 | 825,984 | 971,764 |
| Net change in funds available | (93,089) | 10,584,376 | 10,491,287 |
| Fund balances - January 1 | 2,020,159 | 2,758,156 | 4,778,315 |
| Fund balances - December 31 | $ 1,927,070 | $ 13,342,532 | $ 15,269,602 |

# NON-MAJOR
# SPECIAL REVENUE FUNDS

Special revenue funds account for revenues from specific sources that are legally or by management decision required to be used for specific activities.

**Conservation Trust Fund**
The Conservation Trust Fund accounts for lottery proceeds that are received directly from the State of Colorado or received from Douglas County through a share-back agreement and for fees charged for the use of sports and multi-purpose fields. The monies collected are used for the development and renovation of qualifying parks, recreation facilities and parks infrastructure.

**Philip S. Miller Trust Fund**
This fund accounts for donations made to the Town from the Philip S. Miller Trust. These funds are used to finance community service programs including financial support for the senior center, the museum, and the local chamber of commerce.

**Public Art Fund**
This fund is supported by the Philip S. Miller Trust Fund and accounts for public art endeavors within the Town of Castle Rock; it is managed by the Town Council.

**Police Forfeiture Fund**
This fund accounts for funds received and expended as the result of State or Federal cooperative efforts. Funds are only expended if they are received.

**Downtown Development Authority TIF Fund**
The Downtown Development Authority TIF Fund (DDA TIF Fund) was established in 2015. The tax increment is the sales tax amount received in the Downtown Castle Rock area that is greater than the established base that was set in 2008. This revenue increment is eligible to be placed in the DDA TIF Fund and is allowed for certain, Council-approved uses. The TIF mechanism is triggered by debt obligated by the Town on behalf of the Downtown Development Authority, which then, the funds could be used to pay off the debt for specific Council approved downtown projects.

**Castle Rock Urban Renewal Authority**
The Castle Rock Urban Renewal Authority (CRURA) facilitates investment and redevelopment of blighted areas within the Town of Castle Rock. CRURA is a blended component unit.

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TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2020

| | Conservation Trust | Philip S. Miller Trust | Public Art | Police Forfeiture |
|---|---|---|---|---|
| **ASSETS** | | | | |
| Cash and cash equivalents | $ 893,771 | $ 256,607 | $ 63,865 | $ 22,004 |
| Investments | 5,373 | 24,356 | 19,771 | - |
| Cash held in escrow | 4,166,457 | - | - | - |
| Accounts receivable | 986 | 328 | 62 | - |
| Prepaid items | 1,399 | 1,587 | - | - |
| Total assets | $ 5,067,986 | $ 282,878 | $ 83,698 | $ 22,004 |
| **LIABILITIES AND FUND BALANCES** | | | | |
| Liabilities | | | | |
| Accounts payable | $ 66,667 | $ 26,834 | $ 4,956 | $ - |
| Retainage payable | 10,203 | - | - | - |
| Due to component unit | - | - | - | - |
| Line of credit | - | - | - | - |
| Unearned revenues | 4,166,457 | - | 40,000 | - |
| Loans from other funds | - | - | - | - |
| Total liabilities | 4,243,327 | 26,834 | 44,956 | - |
| Fund balances | | | | |
| Nonspendable | 1,399 | 1,587 | - | - |
| Restricted | 463,123 | - | - | 22,004 |
| Committed | 360,137 | 254,457 | 38,742 | - |
| Unassigned | - | - | - | - |
| Total fund balances (deficits) | 824,659 | 256,044 | 38,742 | 22,004 |
| Total liabilities and fund balances | $ 5,067,986 | $ 282,878 | $ 83,698 | $ 22,004 |

| Downtown Development Authority TIF | Castle Rock Urban Renewal Authority | Total Non-major Special Revenue Funds |
|---|---|---|
| $ 2,197,681 | $ 178,198 | $ 3,612,126 |
| - | - | 49,500 |
| - | - | 4,166,457 |
| 5,773 | - | 7,149 |
| - | - | 2,986 |
| $ 2,203,454 | $ 178,198 | $ 7,838,218 |
| | | |
| $ - | $ - | $ 98,457 |
| - | - | 10,203 |
| - | 150,329 | 150,329 |
| 782,327 | - | 782,327 |
| - | - | 4,206,457 |
| 612,303 | 51,072 | 663,375 |
| 1,394,630 | 201,401 | 5,911,148 |
| | | |
| - | - | 2,986 |
| - | - | 485,127 |
| 808,824 | - | 1,462,160 |
| - | (23,203) | (23,203) |
| 808,824 | (23,203) | 1,927,070 |
| $ 2,203,454 | $ 178,198 | $ 7,838,218 |

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Conservation Trust | Philip S. Miller Trust | Public Art | Police Forfeiture |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Licenses and permits | $ 118,733 | $ - | $ - | $ - |
| Taxes | - | - | - | - |
| Charges for services | - | 60,269 | - | - |
| Investment earnings | 1,635 | 1,248 | 869 | 149 |
| Intergovernmental | 541,538 | 167 | - | - |
| Contributions and donations | - | 287,195 | 25,890 | - |
| Other | - | 384 | 7 | - |
| Total revenues | 661,906 | 349,263 | 26,766 | 149 |
| **EXPENDITURES** | | | | |
| General government | - | - | - | - |
| Culture and recreation | 190,892 | 573,053 | 14,163 | - |
| Capital outlay | 389,529 | - | - | - |
| Total expenditures | 580,421 | 573,053 | 14,163 | - |
| Excess (deficiency) of revenues over (under) expenditures | 81,485 | (223,790) | 12,603 | 149 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | - | 175,000 | - | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | - | 175,000 | - | - |
| Net change in funds available | 81,485 | (48,790) | 12,603 | 149 |
| Fund balance - January 1 | 743,174 | 304,834 | 26,139 | 21,855 |
| Fund balances (deficits) - December 31 | $ 824,659 | $ 256,044 | $ 38,742 | $ 22,004 |

| Downtown Development Authority TIF | Castle Rock Urban Renewal Authority | Total Non-major Special Revenue Funds |
|---|---|---|
| $ - | $ - | $ 118,733 |
| 1,827,009 | - | 1,827,009 |
| - | - | 60,269 |
| - | - | 3,901 |
| - | - | 541,705 |
| - | - | 313,085 |
| 3,575 | - | 3,966 |
| 1,830,584 | - | 2,868,668 |
| 1,939,473 | 427 | 1,939,900 |
| - | - | 778,108 |
| - | - | 389,529 |
| 1,939,473 | 427 | 3,107,537 |
| (108,889) | (427) | (238,869) |
| - | - | 175,000 |
| (29,220) | - | (29,220) |
| (29,220) | - | 145,780 |
| (138,109) | (427) | (93,089) |
| 946,933 | (22,776) | 2,020,159 |
| $ 808,824 | $ (23,203) | $ 1,927,070 |

TOWN OF CASTLE ROCK, COLORADO

CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Licenses and permits | $ 135,200 | $ 135,200 | $ 118,733 | $ (16,467) |
| Investment earnings | 2,086 | 2,086 | 1,635 | (451) |
| Intergovernmental | 1,264,168 | 1,264,168 | 541,538 | (722,630) |
| Total revenues | 1,401,454 | 1,401,454 | 661,906 | (739,548) |
| **EXPENDITURES** | | | | |
| Culture and recreation | 213,499 | 213,499 | 190,892 | 22,607 |
| Capital Outlay | 1,150,000 | 1,700,252 | 389,529 | 1,310,723 |
| Total expenditures | 1,363,499 | 1,913,751 | 580,421 | 1,333,330 |
| Excess (deficiency) of revenues over (under) expenditures | 37,955 | (512,297) | 81,485 | 593,782 |
| Net change in funds available | 37,955 | (512,297) | 81,485 | 593,782 |
| Funds available - January 1 | 395,282 | 743,174 | 743,174 | - |
| Funds available - December 31 | $ 433,237 | $ 230,877 | $ 824,659 | $ 593,782 |

TOWN OF CASTLE ROCK, COLORADO

PHILIP S. MILLER TRUST FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 218,988 | $ 218,988 | $ 60,269 | $ (158,719) |
| Investment earnings | 1,917 | 1,917 | 1,248 | (669) |
| Intergovernmental | - | - | 167 | 167 |
| Contributions and donations | 255,000 | 255,000 | 287,195 | 32,195 |
| Other | - | - | 384 | 384 |
| Total revenues | 475,905 | 475,905 | 349,263 | (126,642) |
| **EXPENDITURES** | | | | |
| Culture and recreation | 644,791 | 644,791 | 573,053 | 71,738 |
| Total expenditures | 644,791 | 644,791 | 573,053 | 71,738 |
| Excess (deficiency) of revenues over (under) expenditures | (168,886) | (168,886) | (223,790) | (54,904) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 175,000 | 175,000 | 175,000 | - |
| Total other financing sources (uses) | 175,000 | 175,000 | 175,000 | - |
| Net change in funds available | 6,114 | 6,114 | (48,790) | (54,904) |
| Funds available - January 1 | 210,798 | 304,834 | 304,834 | - |
| Funds available - December 31 | $ 216,912 | $ 310,948 | $ 256,044 | $ (54,904) |

TOWN OF CASTLE ROCK, COLORADO

PUBLIC ART FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Investment earnings | $ 1,431 | $ 1,431 | $ 869 | $ (562) |
| Contributions and donations | 25,000 | 25,000 | 25,890 | 890 |
| Other | - | - | 7 | 7 |
| Total revenues | 26,431 | 26,431 | 26,766 | 335 |
| **EXPENDITURES** | | | | |
| Culture and recreation | 25,000 | 25,000 | 14,163 | 10,837 |
| Total expenditures | 25,000 | 25,000 | 14,163 | 10,837 |
| Excess (deficiency) of revenues over (under) expenditures | 1,431 | 1,431 | 12,603 | 11,172 |
| Net change in funds available | 1,431 | 1,431 | 12,603 | 11,172 |
| Funds available - January 1 | 22,166 | 26,139 | 26,139 | - |
| Funds available - December 31 | $ 23,597 | $ 27,570 | $ 38,742 | $ 11,172 |

TOWN OF CASTLE ROCK, COLORADO

POLICE FORFEITURE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Investment earnings | $ 108 | $ 108 | $ 149 | $ 41 |
| Total revenues | 108 | 108 | 149 | 41 |
| Excess (deficiency) of revenues over (under) expenditures | 108 | 108 | 149 | 41 |
| Net change in funds available | 108 | 108 | 149 | 41 |
| Funds available - January 1 | 21,601 | 21,855 | 21,855 | - |
| Funds available - December 31 | $ 21,709 | $ 21,963 | $ 22,004 | $ 41 |

TOWN OF CASTLE ROCK, COLORADO

DOWNTOWN DEVELOPMENT AUTHORITY TIF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Taxes | $ 1,477,641 | $ 1,477,641 | $ 1,827,009 | $ 349,368 |
| Other | 45,000 | 45,000 | 3,575 | (41,425) |
| Total revenues | 1,522,641 | 1,522,641 | 1,830,584 | 307,943 |
| **EXPENDITURES** | | | | |
| General government | 666,137 | 666,137 | 1,939,473 | (1,273,336) |
| Capital outlay | 603,099 | 2,881,746 | - | 2,881,746 |
| Total expenditures | 1,269,236 | 3,547,883 | 1,939,473 | 1,608,410 |
| Excess (deficiency) of revenues over (under) expenditures | 253,405 | (2,025,242) | (108,889) | 1,916,353 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | (240,273) | (240,273) | (753,108) | (512,835) |
| Interfund loan interest | (46,827) | (46,827) | (29,220) | 17,607 |
| Total other financing sources (uses) | (287,100) | (287,100) | (782,328) | (495,228) |
| Net change in funds available | (33,695) | (2,312,342) | (891,217) | 1,421,125 |
| Funds available - January 1 | 900,000 | 2,312,343 | 2,312,343 | - |
| Funds available - December 31 | $ 866,305 | $ 1 | $ 1,421,126 | $ 1,421,125 |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Loans from other funds | | | (612,303) | |
| Fund balance - December 31 | | | $ 808,824 | |

TOWN OF CASTLE ROCK, COLORADO

CASTLE ROCK URBAN RENEWAL AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Other | $ 35,500 | $ 35,500 | $ - | $ (35,500) |
| Total revenues | 35,500 | 35,500 | - | (35,500) |
| **OPERATING EXPENDITURES** | | | | |
| General government | 59,500 | 59,500 | 427 | 59,073 |
| Total operating expenditures | 59,500 | 59,500 | 427 | 59,073 |
| Total expenditures | 59,500 | 59,500 | 427 | 59,073 |
| Excess (deficiency) of revenues over (under) expenditures | (24,000) | (24,000) | (427) | 23,573 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan proceeds | 24,000 | 24,000 | - | (24,000) |
| Total other financing sources (uses) | 24,000 | 24,000 | - | (24,000) |
| Net change in funds available | - | - | (427) | (427) |
| Funds available - January 1 | 23,956 | 28,296 | 28,296 | - |
| Funds available - December 31 | $ 23,956 | $ 28,296 | $ 27,869 | $ (427) |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Loans from other funds | | | (51,072) | |
| Fund deficit - December 31 | | | $ (23,203) | |

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# MAJOR CAPITAL PROJECT FUND

Capital project funds account for financial resources used to construct and acquire all major capital projects such as parks and town facilities except for those capital projects that are required to be accounted for in an enterprise fund.

**Transportation Capital Projects Fund**
The Transportation Capital Projects fund accounts for the resources and expenditures for the construction of new transportation projects which accommodate the growth in the Castle Rock area.

TOWN OF CASTLE ROCK, COLORADO

TRANSPORTATION CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Building use taxes | $ 2,192,766 | $ 2,192,766 | $ 2,651,060 | $ 458,294 |
| Development impact fees | 6,983,785 | 6,983,785 | 12,479,450 | 5,495,665 |
| Investment earnings | 27,293 | 27,293 | 247,638 | 220,345 |
| Intergovernmental | 624,000 | 2,560,731 | 725,571 | (1,835,160) |
| Other | - | - | 19,797 | 19,797 |
| Total revenues | 9,827,844 | 11,764,575 | 16,123,516 | 4,358,941 |
| **EXPENDITURES** | | | | |
| Capital Outlay | 10,060,000 | 20,453,887 | 9,482,749 | 10,971,138 |
| Total expenditures | 10,060,000 | 20,453,887 | 9,482,749 | 10,971,138 |
| **DEBT SERVICE** | | | | |
| Principal | 510,000 | 510,000 | 510,000 | - |
| Interest | 842,063 | 842,063 | 725,468 | 116,595 |
| Agency fees | - | - | 300 | (300) |
| Debt issue costs | - | 199,120 | 193,532 | 5,588 |
| Total debt service | 1,352,063 | 1,551,183 | 1,429,300 | 121,883 |
| Total expenditures | 11,412,063 | 22,005,070 | 10,912,049 | 11,093,021 |
| Excess (deficiency) of revenues over (under) expenditures | (1,584,219) | (10,240,495) | 5,211,467 | 15,451,962 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Issuance of refunding bond | - | 18,941,872 | 18,550,000 | (391,872) |
| Issuance of refunding bond - discount | - | (16,747) | (16,747) | - |
| Payment to refunded bonds escrow agent | - | (18,721,273) | (18,452,327) | 268,946 |
| Transfers in | 1,500,000 | 1,500,000 | - | (1,500,000) |
| Total other financing sources (uses) | 1,500,000 | 1,703,852 | 80,926 | (1,622,926) |
| Net change in funds available | (84,219) | (8,536,643) | 5,292,393 | 13,829,036 |
| Funds available - January 1 | 1,817,661 | 11,475,336 | 11,475,336 | - |
| Funds available - December 31 | $ 1,733,442 | $ 2,938,693 | $ 16,767,729 | $ 13,829,036 |

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

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# NON-MAJOR
# CAPITAL PROJECT FUNDS

Capital project funds account for financial resources used to construct and acquire all major capital projects such as parks and town facilities except for those capital projects that are required to be accounted for in an enterprise fund.

**Parks and Recreation Capital Fund**
The Parks and Recreation Capital Fund accounted for resources and expenditures for the construction, expansion and improvement of recreation facilities and other capital needs related to recreational services. The primary source of revenue in this fund is from development impact fees, which are collected at the time a building permit is issued.

**Municipal Facilities Capital Fund**
The Municipal Facilities Capital Fund accounts for resources and expenditures for the construction, expansion and improvement of Town facilities. The primary source of revenue in this fund is from development impact fees that are collected at the time a building permit is issued. Certain projects in this fund were financed through an interfund loan from the General Fund.

**Fire Capital Fund**
The Fire Capital Fund accounts for resources and expenditures for the construction, expansion and improvement of fire facilities and other capital needs of the Fire Department. The primary source of revenue in this fund is from development impact fees, which are collected at the time a building permit is issued. Certain projects in this fund were financed through an interfund loan from the General Fund.

**Police Capital Fund**
The Police Capital Fund accounts for resources and expenditures for the construction, expansion and improvement of police facilities and to provide for other capital needs of the Police Department. The primary source of revenue in this fund is from development impact fees that are collected at the time a building permit is issued. Certain projects in this fund were financed through an interfund loan from the General Fund.

**General Long-Term Planning Fund**
The General Long-Term Planning Fund establishes a source to prioritize and perform needed repairs, improvements and replacement of Town facilities, technology, and infrastructure. The primary source of revenue in this fund is from residential building use tax.

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2020

| | Parks and Recreation Capital | Municipal Facilities Capital | Fire Capital | Police Capital | General Long-Term Planning | Total Non-major Capital Funds |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| Cash and cash equivalents | $ 6,161,123 | $ 421,501 | $ 278,718 | $ 388,336 | $ 4,159,999 | $ 11,409,677 |
| Investments | 2,055,239 | 583,595 | 927,277 | 79,449 | 938,513 | 4,584,073 |
| Accounts receivable | 5,988 | 1,700 | 2,877 | 231 | 5,191 | 15,987 |
| Loans to other funds | - | 176,895 | - | - | - | 176,895 |
| Total assets | $ 8,222,350 | $ 1,183,691 | $ 1,208,872 | $ 468,016 | $ 5,103,703 | $ 16,186,632 |
| **LIABILITIES AND FUND BALANCES** | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | $ 6,637 | $ - | $ 500 | $ 22,031 | $ 253,748 | $ 282,916 |
| Advance from other funds | - | - | - | 196,298 | - | 196,298 |
| Loans from other funds | - | - | 1,482,063 | 882,823 | - | 2,364,886 |
| Total liabilities | 6,637 | - | 1,482,563 | 1,101,152 | 253,748 | 2,844,100 |
| Fund balances (deficits) | | | | | | |
| Restricted | 8,215,713 | 1,163,654 | - | - | - | 9,379,367 |
| Committed | - | 20,037 | - | - | 4,849,955 | 4,869,992 |
| Unassigned | - | - | (273,691) | (633,136) | - | (906,827) |
| Total fund balances (deficits) | 8,215,713 | 1,183,691 | (273,691) | (633,136) | 4,849,955 | 13,342,532 |
| Total liabilities and fund balances | $ 8,222,350 | $ 1,183,691 | $ 1,208,872 | $ 468,016 | $ 5,103,703 | $ 16,186,632 |

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Parks and Recreation Capital | Municipal Facilities Capital | Fire Capital | Police Capital | General Long-Term Planning | Total Non-major Capital Funds |
|---|---|---|---|---|---|---|
| **REVENUES** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ 2,063,853 | $ 2,063,853 |
| Development impact fees | 7,100,597 | 422,400 | 1,263,371 | 630,150 | - | 9,416,518 |
| Investment earnings | 66,133 | 18,671 | 34,838 | 2,918 | 32,677 | 155,237 |
| Intergovernmental | - | - | 59,840 | - | 2,194 | 62,034 |
| Other | - | - | 261 | - | 408 | 669 |
| Total revenues | 7,166,730 | 441,071 | 1,358,310 | 633,068 | 2,099,132 | 11,698,311 |
| **EXPENDITURES** | | | | | | |
| General government | - | - | - | - | 501,175 | 501,175 |
| Public safety | - | - | 716 | - | - | 716 |
| Culture and recreation | 125,132 | - | - | - | - | 125,132 |
| Capital outlay | 208,083 | - | 77,379 | 22,031 | 294,590 | 602,083 |
| Debt Service | | | | | | |
| Principal | 385,000 | - | - | - | - | 385,000 |
| Interest | 323,813 | - | - | - | - | 323,813 |
| Agency fees | 2,000 | - | - | - | - | 2,000 |
| Total expenditures | 1,044,028 | - | 78,095 | 22,031 | 795,765 | 1,939,919 |
| Excess (deficiency) of revenues over (under) expenditures | 6,122,702 | 441,071 | 1,280,215 | 611,037 | 1,303,367 | 9,758,392 |
| **OTHER FINANCING SOURCES (USES)** | | | | | | |
| Transfers in | - | 3,010 | - | - | 1,003,743 | 1,006,753 |
| Transfers out | - | (1,644) | (40,912) | (138,213) | - | (180,769) |
| Total other financing sources (uses) | - | 1,366 | (40,912) | (138,213) | 1,003,743 | 825,984 |
| Net change in funds available | 6,122,702 | 442,437 | 1,239,303 | 472,824 | 2,307,110 | 10,584,376 |
| Fund balances (deficits) - January 1 | 2,093,011 | 741,254 | (1,512,994) | (1,105,960) | 2,542,845 | 2,758,156 |
| Fund balances (deficits) - December 31 | $ 8,215,713 | $ 1,183,691 | $ (273,691) | $ (633,136) | $ 4,849,955 | $ 13,342,532 |

TOWN OF CASTLE ROCK, COLORADO

PARKS AND RECREATION CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Development impact fees | $ 5,349,031 | $ 5,349,031 | $ 7,100,597 | $ 1,751,566 |
| Investment earnings | 25,805 | 25,805 | 66,133 | 40,328 |
| Total revenues | 5,374,836 | 5,374,836 | 7,166,730 | 1,791,894 |
| **EXPENDITURES** | | | | |
| Culture and recreation | 109,800 | 159,800 | 125,132 | 34,668 |
| Capital outlay | 4,000,000 | 4,608,148 | 208,083 | 4,400,065 |
| Total expenditures | 4,109,800 | 4,767,948 | 333,215 | 4,434,733 |
| **DEBT SERVICE** | | | | |
| COP principal | 385,000 | 385,000 | 385,000 | - |
| COP interest | 323,813 | 323,813 | 323,813 | - |
| Agency and other fees | 2,000 | 2,000 | 2,000 | - |
| Total debt service | 710,813 | 710,813 | 710,813 | - |
| Total expenditures | 4,820,613 | 5,478,761 | 1,044,028 | 4,434,733 |
| Excess (deficiency) of revenues over (under) expenditures | 554,223 | (103,925) | 6,122,702 | 6,226,627 |
| Net change in funds available | 554,223 | (103,925) | 6,122,702 | 6,226,627 |
| Funds available - January 1 | 1,031,762 | 2,093,011 | 2,093,011 | - |
| Funds available - December 31 | $ 1,585,985 | $ 1,989,086 | $ 8,215,713 | $ 6,226,627 |

TOWN OF CASTLE ROCK, COLORADO

MUNICIPAL FACILITIES CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Development impact fees | $ 302,811 | $ 302,811 | $ 422,400 | $ 119,589 |
| Investment earnings | 23,438 | 23,438 | 18,671 | (4,767) |
| Total revenues | 326,249 | 326,249 | 441,071 | 114,822 |
| Excess (deficiency) of revenues over (under) expenditures | 326,249 | 326,249 | 441,071 | 114,822 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | 23,799 | 23,799 | 23,799 | - |
| Interfund loan interest | 3,010 | 3,010 | 3,010 | - |
| Interfund loan principal | (47,989) | (287,989) | (146,138) | 141,851 |
| Interfund loan interest | (2,192) | (2,192) | (1,644) | 548 |
| Transfers out | (322,596) | (322,596) | - | 322,596 |
| Total other financing sources (uses) | (345,968) | (585,968) | (120,973) | 464,995 |
| Net change in funds available | (19,719) | (259,719) | 320,098 | 579,817 |
| Funds available - January 1 | 380,382 | 686,698 | 686,698 | - |
| Funds available - December 31 | $ 360,663 | $ 426,979 | $ 1,006,796 | $ 579,817 |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Loans to other funds | | | 176,895 | |
| Fund balance - December 31 | | | $ 1,183,691 | |

TOWN OF CASTLE ROCK, COLORADO

FIRE CAPITAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Development impact fees | $ 932,960 | $ 932,960 | $ 1,263,371 | $ 330,411 |
| Investment earnings | 51,455 | 51,455 | 34,838 | (16,617) |
| Intergovernmental | - | - | 59,840 | 59,840 |
| Other | - | - | 261 | 261 |
| Total revenues | 984,415 | 984,415 | 1,358,310 | 373,895 |
| **EXPENDITURES** | | | | |
| Public safety | - | - | 716 | (716) |
| Capital Outlay | 20,000 | 93,457 | 77,379 | 16,078 |
| Total expenditures | 20,000 | 93,457 | 78,095 | 15,362 |
| Excess (deficiency) of revenues over (under) expenditures | 964,415 | 890,958 | 1,280,215 | 389,257 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | (581,052) | (1,245,404) | (1,245,404) | - |
| Interfund loan interest | (40,912) | (40,912) | (40,912) | - |
| Total other financing sources (uses) | (621,964) | (1,286,316) | (1,286,316) | - |
| Net change in funds available | 342,451 | (395,358) | (6,101) | 389,257 |
| Funds available - January 1 | 1,014,406 | 1,214,473 | 1,214,473 | - |
| Funds available - December 31 | $ 1,356,857 | $ 819,115 | $ 1,208,372 | $ 389,257 |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Loans from other funds | | | (1,482,063) | |
| Fund balance - December 31 | | | $ (273,691) | |

TOWN OF CASTLE ROCK, COLORADO

POLICE CAPITAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Development impact fees | $ 456,858 | $ 456,858 | $ 630,150 | $ 173,292 |
| Investment earnings | 2,213 | 2,213 | 2,918 | 705 |
| Total revenues | 459,071 | 459,071 | 633,068 | 173,997 |
| **EXPENDITURES** | | | | |
| Capital outlay | 430,128 | 430,128 | 22,031 | 408,097 |
| Total expenditures | 430,128 | 430,128 | 22,031 | 408,097 |
| Excess (deficiency) of revenues over (under) expenditures | 28,943 | 28,943 | 611,037 | 582,094 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 322,596 | 322,596 | - | (322,596) |
| Interfund loan principal | (168,630) | (168,630) | (168,630) | - |
| Interfund loan interest | (18,716) | (18,716) | (18,716) | - |
| Transfers out | (61,997) | (119,497) | (119,497) | - |
| Total other financing sources (uses) | 73,253 | 15,753 | (306,843) | (322,596) |
| Net change in funds available | 102,196 | 44,696 | 304,194 | 259,498 |
| Funds available - January 1 | 12,200 | 141,791 | 141,791 | - |
| Funds available - December 31 | $ 114,396 | $ 186,487 | 445,985 | $ 259,498 |
| **RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE** | | | | |
| Loans from other funds | | | (882,823) | |
| Advance from other funds | | | (196,298) | |
| Fund deficit - December 31 | | | $ (633,136) | |

TOWN OF CASTLE ROCK, COLORADO

GENERAL LONG-TERM PLANNING FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Building use taxes | $ 1,702,059 | $ 1,702,059 | $ 2,063,853 | $ 361,794 |
| Investment earnings | 25,846 | 25,846 | 32,677 | 6,831 |
| Intergovernmental | - | - | 2,194 | 2,194 |
| Other | - | - | 408 | 408 |
| Total revenues | 1,727,905 | 1,727,905 | 2,099,132 | 371,227 |
| **EXPENDITURES** | | | | |
| General government | 769,026 | 838,443 | 501,175 | 337,268 |
| Capital outlay | 1,898,500 | 2,131,584 | 294,590 | 1,836,994 |
| Total expenditures | 2,667,526 | 2,970,027 | 795,765 | 2,174,262 |
| Excess (deficiency) of revenues over (under) expenditures | (939,621) | (1,242,122) | 1,303,367 | 2,545,489 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 1,003,743 | 1,003,743 | 1,003,743 | - |
| Total other financing sources (uses) | 1,003,743 | 1,003,743 | 1,003,743 | - |
| Net change in funds available | 64,122 | (238,379) | 2,307,110 | 2,545,489 |
| Funds available - January 1 | 1,744,914 | 2,542,845 | 2,542,845 | - |
| Funds available - December 31 | $ 1,809,036 | $ 2,304,466 | $ 4,849,955 | $ 2,545,489 |

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## ENTERPRISE FUNDS BUDGETARY SCHEDULES

- WATER FUND
- WATER RESOURCES FUND
- STORMWATER FUND
- WASTEWATER FUND
- GOLF FUND
- COMMUNITY CENTER FUND
- DEVELOPMENT SERVICES FUND

TOWN OF CASTLE ROCK, COLORADO

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 16,270,308 | $ 16,270,308 | $ 17,653,537 | $ 1,383,229 |
| System development fees | 3,355,168 | 3,355,168 | 3,545,958 | 190,790 |
| Fines and forfeitures | 356,700 | 356,700 | 71,361 | (285,339) |
| Investment earnings | 133,719 | 133,719 | 415,873 | 282,154 |
| Intergovernmental | 350,000 | 350,000 | 699,387 | 349,387 |
| Other | 116,207 | 116,207 | 1,133,631 | 1,017,424 |
| Total revenues | 20,582,102 | 20,582,102 | 23,519,747 | 2,937,645 |
| **OPERATING EXPENDITURES** | | | | |
| Administration | 1,715,305 | 2,520,305 | 1,824,087 | 696,218 |
| Operations support | 10,045,049 | 12,215,102 | 10,143,566 | 2,071,536 |
| Capital outlay | 11,991,326 | 19,791,188 | 5,698,989 | 14,092,199 |
| Total operating expenditures | 23,751,680 | 34,526,595 | 17,666,642 | 16,859,953 |
| **DEBT SERVICE** | | | | |
| Principal | 1,421,800 | 1,421,800 | 1,421,800 | - |
| Interest | 312,194 | 312,194 | 309,077 | 3,117 |
| Agency fees | 400 | 400 | 552 | (152) |
| Total debt service | 1,734,394 | 1,734,394 | 1,731,429 | 2,965 |
| Total expenditures | 25,486,074 | 36,260,989 | 19,398,071 | 16,862,918 |
| Excess (deficiency) of revenues over (under) expenditures | (4,903,972) | (15,678,887) | 4,121,676 | 19,800,563 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Proceeds from sale of capital assets | - | - | 1,593,400 | 1,593,400 |
| Transfers out | (2,431,890) | (2,431,890) | (1,873,928) | 557,962 |
| Total other financing sources (uses) | (2,431,890) | (2,431,890) | (280,528) | 2,151,362 |
| Net change in funds available | (7,335,862) | (18,110,777) | 3,841,148 | 21,951,925 |
| Funds available - January 1 | 16,245,769 | 21,378,138 | 21,378,138 | - |
| Funds available - December 31 | $ 8,909,907 | $ 3,267,361 | $ 25,219,286 | $ 21,951,925 |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ 3,841,148 |
| Depreciation expense | (6,249,405) |
| Capital asset contributions | 4,858,089 |
| Capital outlay | 5,698,989 |
| Principal paid | 1,421,800 |
| Proceeds from sale of capital assets | (1,593,400) |
| Loss on disposal of capital assets | (16,234) |
| Amortization expense | 56,300 |
| Accrued leave | (146,083) |
| Change in net position | $ 7,871,204 |

TOWN OF CASTLE ROCK, COLORADO

WATER RESOURCES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 10,078,298 | $ 10,078,298 | $ 10,426,445 | $ 348,147 |
| System development fees | 17,059,858 | 17,059,858 | 18,940,568 | 1,880,710 |
| Fines and forfeitures | 90,500 | 90,500 | 198,842 | 108,342 |
| Investment earnings | 304,137 | 304,137 | 1,649,185 | 1,345,048 |
| Intergovernmental | - | - | 239,776 | 239,776 |
| Other | 2,205,939 | 2,205,939 | 2,545,653 | 339,714 |
| Total revenues | 29,738,732 | 29,738,732 | 34,000,469 | 4,261,737 |
| **OPERATING EXPENDITURES** | | | | |
| Administration | 659,223 | 664,223 | 620,343 | 43,880 |
| Operations support | 8,799,926 | 9,343,545 | 7,502,863 | 1,840,682 |
| Capital outlay | 21,453,510 | 53,832,545 | 37,015,835 | 16,816,710 |
| Total operating expenditures | 30,912,659 | 63,840,313 | 45,139,041 | 18,701,272 |
| **DEBT SERVICE** | | | | |
| Principal | 1,925,000 | 1,925,000 | 1,925,000 | - |
| Interest | 1,803,975 | 1,803,975 | 1,797,558 | 6,417 |
| Agency and other fees | - | - | 300 | (300) |
| Total debt service | 3,728,975 | 3,728,975 | 3,722,858 | 6,117 |
| Total expenditures | 34,641,634 | 67,569,288 | 48,861,899 | 18,707,389 |
| Excess (deficiency) of revenues over (under) expenditures | (4,902,902) | (37,830,556) | (14,861,430) | 22,969,126 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | 44,976 | 94,186 | 154,582 | 60,396 |
| Interfund loan interest | 19,024 | 19,024 | 19,024 | - |
| Transfers in | 2,354,640 | 2,354,640 | 1,857,073 | (497,567) |
| Transfers out | - | (49,210) | - | 49,210 |
| Total other financing sources (uses) | 2,418,640 | 2,418,640 | 2,030,679 | (387,961) |
| Net change in funds available | (2,484,262) | (35,411,916) | (12,830,751) | 22,581,165 |
| Funds available - January 1 | 23,663,961 | 56,795,599 | 56,795,599 | - |
| Funds available - December 31 | $ 21,179,699 | $ 21,383,683 | $ 43,964,848 | $ 22,581,165 |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ (12,830,751) |
| Depreciation expense | (1,374,916) |
| Capital asset contributions | 874,900 |
| Capital outlay | 37,015,835 |
| Principal paid | 1,925,000 |
| Interfund loan principal | (154,582) |
| Loss on disposal of capital assets | (767) |
| Amortization expense | 533,353 |
| Accrued leave | (21,848) |
| Change in net position | $ 25,966,224 |

TOWN OF CASTLE ROCK, COLORADO

STORMWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 3,673,560 | $ 3,673,560 | $ 3,697,567 | $ 24,007 |
| System development fees | 1,536,072 | 1,536,072 | 1,508,574 | (27,498) |
| Investment earnings | 23,675 | 23,675 | 106,323 | 82,648 |
| Intergovernmental | - | - | 4,717 | 4,717 |
| Other | 268,105 | 268,105 | 83,283 | (184,822) |
| Total revenues | 5,501,412 | 5,501,412 | 5,400,464 | (100,948) |
| **OPERATING EXPENDITURES** | | | | |
| Administration | 720,399 | 725,399 | 707,072 | 18,327 |
| Operations support | 2,112,016 | 2,182,016 | 1,808,526 | 373,490 |
| Capital outlay | 3,504,162 | 13,967,493 | 5,305,190 | 8,662,303 |
| Total operating expenditures | 6,336,577 | 16,874,908 | 7,820,788 | 9,054,120 |
| **DEBT SERVICE** | | | | |
| Interest | - | - | 107,440 | (107,440) |
| Total debt service | - | - | 107,440 | (107,440) |
| Total expenditures | 6,336,577 | 16,874,908 | 7,928,228 | 8,946,680 |
| Excess (deficiency) of revenues over (under) expenditures | (835,165) | (11,373,496) | (2,527,764) | 8,845,732 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Notes payable proceeds | - | 4,500,000 | 4,500,000 | - |
| Transfers in | - | - | 193,000 | 193,000 |
| Total other financing sources (uses) | - | 4,500,000 | 4,693,000 | 193,000 |
| Net change in funds available | (835,165) | (6,873,496) | 2,165,236 | 9,038,732 |
| Funds available - January 1 | 4,036,192 | 12,955,691 | 12,955,691 | - |
| Funds available - December 31 | $ 3,201,027 | $ 6,082,195 | $ 15,120,927 | $ 9,038,732 |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ 2,165,236 |
| Depreciation expense | (2,127,127) |
| Capital asset contributions | 7,511,755 |
| Capital outlay | 5,305,190 |
| Notes payable proceeds | (4,500,000) |
| Loss on disposal of capital assets | (405) |
| Accrued leave | (20,711) |
| Change in net position | $ 8,333,938 |

TOWN OF CASTLE ROCK, COLORADO

WASTEWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 11,302,090 | $ 11,302,090 | $ 11,147,387 | $ (154,703) |
| System development fees | 3,823,897 | 3,823,897 | 3,565,122 | (258,775) |
| Fines and forfeitures | 100 | 100 | 47 | (53) |
| Investment earnings | 2,311 | 2,311 | 40,638 | 38,327 |
| Intergovernmental | - | - | 5,243 | 5,243 |
| Other | 11,081 | 11,081 | 118,955 | 107,874 |
| Total revenues | 15,139,479 | 15,139,479 | 14,877,392 | (262,087) |
| **OPERATING EXPENDITURES** | | | | |
| Administration | 1,056,870 | 1,124,795 | 1,091,063 | 33,732 |
| Operations support | 4,969,838 | 6,565,118 | 5,164,241 | 1,400,877 |
| Contributions toward sewer capacity | 2,704,181 | 2,916,219 | 2,463,621 | 452,598 |
| Capital outlay | 5,341,391 | 5,833,311 | 578,411 | 5,254,900 |
| Total operating expenditures | 14,072,280 | 16,439,443 | 9,297,336 | 7,142,107 |
| **DEBT SERVICE** | | | | |
| Principal | 283,200 | 283,200 | 283,200 | - |
| Interest | 48,156 | 48,156 | 47,448 | 708 |
| Agency fees | - | - | 48 | (48) |
| Total debt service | 331,356 | 331,356 | 330,696 | 660 |
| Total expenditures | 14,403,636 | 16,770,799 | 9,628,032 | 7,142,767 |
| Excess (deficiency) of revenues over (under) expenditures | 735,843 | (1,631,320) | 5,249,360 | 6,880,680 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Interfund loan principal | (3,850,000) | (3,850,000) | - | 3,850,000 |
| Total other financing sources (uses) | (3,850,000) | (3,850,000) | - | 3,850,000 |
| Net change in funds available | (3,114,157) | (5,481,320) | 5,249,360 | 10,730,680 |
| Funds available - January 1 | 8,947,665 | 8,693,235 | 8,693,235 | - |
| Funds available - December 31 | $ 5,833,508 | $ 3,211,915 | $ 13,942,595 | $ 10,730,680 |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ 5,249,360 |
| Depreciation expense | (2,576,038) |
| Capital asset contributions | 3,539,871 |
| Capital outlay | 578,411 |
| Principal paid | 283,200 |
| Amortization expense | 5,044 |
| Investment in joint venture | 1,333,755 |
| Accrued leave | (4,682) |
| Change in net position | $ 8,408,921 |

TOWN OF CASTLE ROCK, COLORADO

GOLF FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 3,276,178 | $ 3,276,178 | $ 3,606,046 | $ 329,868 |
| Investment earnings | 9,458 | 9,458 | 12,017 | 2,559 |
| Intergovernmental | - | - | 20,076 | 20,076 |
| Other | - | - | 3,073 | 3,073 |
| Total revenues | 3,285,636 | 3,285,636 | 3,641,212 | 355,576 |
| **OPERATING EXPENDITURES** | | | | |
| Administration | 356,276 | 356,276 | 381,354 | (25,078) |
| Operations support | 867,264 | 874,287 | 857,147 | 17,140 |
| Food and beverages | 508,013 | 508,013 | 460,018 | 47,995 |
| Maintenance | 942,036 | 942,036 | 973,567 | (31,531) |
| Capital outlay | 224,778 | 337,571 | 43,705 | 293,866 |
| Total operating expenditures | 2,898,367 | 3,018,183 | 2,715,791 | 302,392 |
| **DEBT SERVICE** | | | | |
| Principal | 564,810 | 564,810 | 564,052 | 758 |
| Interest | 115,289 | 115,289 | 114,335 | 954 |
| Agency fees | 2,500 | 2,500 | 300 | 2,200 |
| Total debt service | 682,599 | 682,599 | 678,687 | 3,912 |
| Total expenditures | 3,580,966 | 3,700,782 | 3,394,478 | 306,304 |
| Excess (deficiency) of revenues over (under) expenditures | (295,330) | (415,146) | 246,734 | 661,880 |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers in | 80,000 | 80,000 | 80,000 | - |
| Interfund loan interest | (7,512) | (7,512) | (7,512) | - |
| Total other financing sources (uses) | 72,488 | 72,488 | 72,488 | - |
| Net change in funds available | (222,842) | (342,658) | 319,222 | 661,880 |
| Funds available - January 1 | 1,416,795 | 1,554,067 | 1,554,067 | - |
| Funds available - December 31 | $ 1,193,953 | $ 1,211,409 | $ 1,873,289 | $ 661,880 |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ 319,222 |
| Depreciation expense | (272,732) |
| Capital outlay | 43,705 |
| Principal paid | 564,052 |
| Amortization expense | (38,267) |
| Accrued leave | (13,418) |
| Change in net position | $ 602,562 |

TOWN OF CASTLE ROCK, COLORADO

COMMUNITY CENTER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Taxes | $ 3,498,070 | $ 3,498,070 | $ 3,675,008 | $ 176,938 |
| Charges for services | 4,509,036 | 4,509,036 | 1,920,292 | (2,588,744) |
| Investment earnings | 11,022 | 11,022 | 23,225 | 12,203 |
| Intergovernmental | - | - | 35,474 | 35,474 |
| Other | - | - | 6,727 | 6,727 |
| Total revenues | 8,018,128 | 8,018,128 | 5,660,726 | (2,357,402) |
| **OPERATING EXPENDITURES** | | | | |
| Administration | 87,333 | 87,333 | 55,805 | 31,528 |
| Operations support | 3,198,070 | 3,198,070 | 2,489,379 | 708,691 |
| Special events | 307,957 | 307,957 | 378,050 | (70,093) |
| Birthday parties | 57,791 | 57,791 | 12,452 | 45,339 |
| Aquatics | 1,973,038 | 1,973,038 | 1,215,781 | 757,257 |
| Athletics | 988,823 | 988,823 | 835,019 | 153,804 |
| Cultural arts | 307,266 | 307,266 | 150,061 | 157,205 |
| Fitness and wellness | 481,210 | 481,210 | 277,673 | 203,537 |
| Youth programs | 517,412 | 517,412 | 412,032 | 105,380 |
| Capital outlay | 225,000 | 675,000 | 462,498 | 212,502 |
| Total operating expenditures | 8,143,900 | 8,593,900 | 6,288,750 | 2,305,150 |
| Excess (deficiency) of revenues over (under) expenditures | (125,772) | (575,772) | (628,024) | (52,252) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Transfers out | (80,000) | (80,000) | (80,000) | - |
| Total other financing sources (uses) | (80,000) | (80,000) | (80,000) | - |
| Net change in funds available | (205,772) | (655,772) | (708,024) | (52,252) |
| Funds available - January 1 | 1,775,333 | 1,932,230 | 1,932,230 | - |
| Funds available - December 31 | $ 1,569,561 | $ 1,276,458 | $ 1,224,206 | $ (52,252) |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ (708,024) |
| Depreciation expense | (334,678) |
| Capital outlay | 462,498 |
| Accrued leave | (64,799) |
| Change in net position | $ (645,003) |

TOWN OF CASTLE ROCK, COLORADO

DEVELOPMENT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 6,920,000 | $ 6,920,000 | $ 7,511,584 | $ 591,584 |
| Investment earnings | 62,768 | 62,768 | 107,390 | 44,622 |
| Intergovernmental | - | - | 54,923 | 54,923 |
| Other | - | - | 1,229 | 1,229 |
| Total revenues | 6,982,768 | 6,982,768 | 7,675,126 | 692,358 |
| **OPERATING EXPENDITURES** | | | | |
| Operations support | 6,749,275 | 7,100,327 | 6,537,826 | 562,501 |
| Total operating expenditures | 6,749,275 | 7,100,327 | 6,537,826 | 562,501 |
| Excess (deficiency) of revenues over (under) expenditures | 233,493 | (117,559) | 1,137,300 | 1,254,859 |
| Net change in funds available | 233,493 | (117,559) | 1,137,300 | 1,254,859 |
| Funds available - January 1 | 3,834,594 | 3,974,109 | 3,974,109 | - |
| Funds available - December 31 | $ 4,068,087 | $ 3,856,550 | $ 5,111,409 | $ 1,254,859 |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ 1,137,300 |
| Depreciation expense | (133,094) |
| Accrued leave | (35,187) |
| Change in net position | $ 969,019 |

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# INTERNAL SERVICE FUNDS

Internal service funds account for the financing of goods or services provided by one department to another. Revenues are from user charges to funds and departments, which are calculated on a cost reimbursement basis.

**Employee Benefits Fund**
The Employee Benefits Fund accounts for the accumulation and payment of health insurance claims; for the payment of premiums for various employee insurance policies (life insurance, long-term disability, accidental death and dismemberment, stop-loss insurance) and for the payment of fees to third-party administrators; and for disbursement of cafeteria plan monies.

**Fleet Services Fund**
The Fleet Services Fund accounts for centralized acquisition and maintenance of Town owned vehicles. Operations and vehicle replacements are funded by charges to user departments.

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF NET POSITION

DECEMBER 31, 2020

| | Employee Benefits | Fleet Services | Total Internal Service Funds |
|---|---|---|---|
| **ASSETS** | | | |
| Current Assets | | | |
| Cash and cash equivalents | $ 975,346 | $ 3,852,437 | $ 4,827,783 |
| Investments | 2,120,592 | 145,694 | 2,266,286 |
| Receivables | 51,464 | 11,241 | 62,705 |
| Prepaid items | 574 | 7,404 | 7,978 |
| Total current assets | 3,147,976 | 4,016,776 | 7,164,752 |
| Non-current Assets | | | |
| Capital assets | | | |
| Buildings and improvements | - | 43,590 | 43,590 |
| Machinery and equipment | - | 26,426,297 | 26,426,297 |
| Construction in progress | - | 5,620 | 5,620 |
| Accumulated depreciation | - | (18,002,448) | (18,002,448) |
| Total non-current assets | - | 8,473,059 | 8,473,059 |
| Total assets | 3,147,976 | 12,489,835 | 15,637,811 |
| **LIABILITIES** | | | |
| Current liabilities | | | |
| Accounts payable | 652,649 | 64,320 | 716,969 |
| Unearned revenues | 639,534 | - | 639,534 |
| Current portion of accrued leave | - | 54,258 | 54,258 |
| Total current liabilities | 1,292,183 | 118,578 | 1,410,761 |
| Non-current liabilities | | | |
| Accrued leave | - | 15,497 | 15,497 |
| Total non-current liabilities | - | 15,497 | 15,497 |
| Total liabilities | 1,292,183 | 134,075 | 1,426,258 |
| **NET POSITION** | | | |
| Net investment in capital assets | - | 8,453,447 | 8,453,447 |
| Unrestricted | 1,855,793 | 3,902,313 | 5,758,106 |
| Total net position | $ 1,855,793 | $ 12,355,760 | $ 14,211,553 |

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Employee Benefits | Fleet Services | Total Internal Service Funds |
|---|---|---|---|
| **OPERATING REVENUES** | | | |
| Charges for services | $ 7,651,095 | $ 2,342,818 | $ 9,993,913 |
| Intergovernmental | - | 6,610 | 6,610 |
| Other | 1,758,271 | 5,143 | 1,763,414 |
| Total operating revenues | 9,409,366 | 2,354,571 | 11,763,937 |
| **OPERATING EXPENSES** | | | |
| Cost of sales and services | 8,898,963 | 1,396,856 | 10,295,819 |
| Depreciation | - | 3,068,586 | 3,068,586 |
| Total operating expenses | 8,898,963 | 4,465,442 | 13,364,405 |
| Operating income (loss) | 510,403 | (2,110,871) | (1,600,468) |
| **NON-OPERATING REVENUES/(EXPENSES)** | | | |
| Investment earnings | 68,336 | 17,992 | 86,328 |
| Gain on disposal of capital assets | - | 162,143 | 162,143 |
| Total non-operating revenues/(expenses) | 68,336 | 180,135 | 248,471 |
| Net income (loss) before contributions and transfers | 578,739 | (1,930,736) | (1,351,997) |
| **CONTRIBUTIONS AND TRANSFERS** | | | |
| Transfers in | - | 200,247 | 200,247 |
| Total contributions and transfers | - | 200,247 | 200,247 |
| Change in net position | 578,739 | (1,730,489) | (1,151,750) |
| Total net position - January 1 | 1,277,054 | 14,086,249 | 15,363,303 |
| Total net position - December 31 | $ 1,855,793 | $ 12,355,760 | $ 14,211,553 |

TOWN OF CASTLE ROCK, COLORADO

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

| | Employee Benefits | Fleet Services | Total Internal Service Funds |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Receipts from customers and users | $ 1,820,956 | $ 4,747 | $ 1,825,703 |
| Receipts from interfund services provided | 7,651,095 | 2,342,818 | 9,993,913 |
| Payments to suppliers | (8,699,068) | (696,735) | (9,395,803) |
| Payments to employees | (177,608) | (694,620) | (872,228) |
| Net cash provided by operating activities | 595,375 | 956,210 | 1,551,585 |
| **CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES** | | | |
| Cash transfers in | - | 200,247 | 200,247 |
| Net cash provided by non-capital financing activities | - | 200,247 | 200,247 |
| **CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES** | | | |
| Acquisition of capital assets | - | (1,590,115) | (1,590,115) |
| Proceeds from sale of capital assets | - | 123,986 | 123,986 |
| Net cash used in capital and related financing activities | - | (1,466,129) | (1,466,129) |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Investment earnings | 47,161 | 16,537 | 63,698 |
| Increase in equity in pooled investments | (44,963) | (3,089) | (48,052) |
| Net cash provided by investing activities | 2,198 | 13,448 | 15,646 |
| Net increase (decrease) in cash and cash equivalents | 597,573 | (296,224) | 301,349 |
| Cash and cash equivalents - January 1 | 377,773 | 4,148,661 | 4,526,434 |
| Cash and cash equivalents - December 31 | $ 975,346 | $ 3,852,437 | $ 4,827,783 |
| **RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION** | | | |
| Unrestricted cash and cash equivalents | $ 975,346 | $ 3,852,437 | $ 4,827,783 |
| Total cash and cash equivalents | $ 975,346 | $ 3,852,437 | $ 4,827,783 |
| **RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES** | | | |
| Operating income (loss) | $ 510,403 | $ (2,110,871) | $ (1,600,468) |
| Adjustments to reconcile operating income (loss) from operations to net cash provided by operating activities | | | |
| Depreciation | - | 3,068,586 | 3,068,586 |
| (Increase) decrease in assets | | | |
| Accounts receivable | 12,866 | (7,004) | 5,862 |
| Prepaid items | (39) | (328) | (367) |
| Increase (decrease) in liabilities | | | |
| Accounts payable | 22,326 | (9) | 22,317 |
| Accrued leave | - | 5,836 | 5,836 |
| Unearned revenue | 49,819 | - | 49,819 |
| Total adjustments | 84,972 | 3,067,081 | 3,152,053 |
| Net cash provided by operating activities | $ 595,375 | $ 956,210 | $ 1,551,585 |
| **NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES** | | | |
| Payables incurred for purchase of capital assets | $ - | $ (19,612) | $ (19,612) |
| Increase in fair value of investments | 21,175 | 1,455 | 22,630 |
| **Noncash investing, capital and financing activities** | $ 21,175 | $ (18,157) | $ 3,018 |

TOWN OF CASTLE ROCK, COLORADO

EMPLOYEE BENEFITS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 8,085,937 | $ 8,085,937 | $ 7,651,095 | $ (434,842) |
| Investment earnings | 58,096 | 58,096 | 68,336 | 10,240 |
| Other | 1,834,901 | 1,834,901 | 1,758,271 | (76,630) |
| Total revenues | 9,978,934 | 9,978,934 | 9,477,702 | (501,232) |
| **EXPENDITURES** | | | | |
| Operations | 9,906,140 | 9,906,140 | 8,898,963 | 1,007,177 |
| Total expenditures | 9,906,140 | 9,906,140 | 8,898,963 | 1,007,177 |
| Net change in funds available | 72,794 | 72,794 | 578,739 | 505,945 |
| Funds available - January 1 | 2,003,701 | 1,277,054 | 1,277,054 | - |
| Funds available - December 31 | $ 2,076,495 | $ 1,349,848 | $ 1,855,793 | $ 505,945 |

TOWN OF CASTLE ROCK, COLORADO

FLEET FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Budgets | | Budgetary Actual | Variance with Final Budget Positive (Negative) |
|---|---|---|---|---|
| | Original | Final | | |
| **REVENUES** | | | | |
| Charges for services | $ 4,711,865 | $ 4,711,865 | $ 2,342,818 | $ (2,369,047) |
| Investment earnings | 30,440 | 30,440 | 17,992 | (12,448) |
| Transfers in | 152,552 | 210,052 | 200,247 | (9,805) |
| Proceeds from sale of capital assets | 158,350 | 158,350 | 200,302 | 41,952 |
| Intergovernmental | - | - | 6,610 | 6,610 |
| Other | - | - | 5,143 | 5,143 |
| Total revenues | 5,053,207 | 5,110,707 | 2,773,112 | (2,337,595) |
| **EXPENDITURES** | | | | |
| Operations | 1,281,825 | 1,281,825 | 1,391,020 | (109,195) |
| Capital outlay | 1,908,294 | 2,092,050 | 1,516,259 | 575,791 |
| Total expenditures | 3,190,119 | 3,373,875 | 2,907,279 | 466,596 |
| Net change in funds available | 1,863,088 | 1,736,832 | (134,167) | (1,870,999) |
| Funds available - January 1 | 3,377,476 | 4,075,220 | 4,075,220 | - |
| Funds available - December 31 | $ 5,240,564 | $ 5,812,052 | $ 3,941,053 | $ (1,870,999) |

| | |
|---|---|
| **RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)** | |
| Net change in funds available | $ (134,167) |
| Depreciation expense | (3,068,586) |
| Capital outlay | 1,516,259 |
| Proceeds from sale of capital assets | (200,302) |
| Gain on disposal of capital assets | 162,143 |
| Accrued leave | (5,836) |
| Change in net position | $ (1,730,489) |

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# CUSTODIAL FUNDS

Custodial funds are used to report fiduciary activities that are not held in a trust or equivalent arrangement for individuals, organizations and other governments.

**Add-On PIF Fund**
The Add-On PIF Fund is a custodial fund used to account for the receipt and disbursement of the add-on public improvement fee (PIF) collected on sales transactions in the Promenade retail center.

**Special District Fee Fund**
The Special District Fee Fund is a custodial fund used to account for receipt and disbursement of the Meadows District imposed capital reserve fee.

**Use Tax Fund**
The Use Tax Fund is a custodial fund used to account for the receipt and disbursement of Douglas County's 1.00% portion of the use tax imposed on construction materials that are utilized in the construction of real property.

**Authority Development Fee Fund**
The Authority Development Fee Fund is a custodial fund used to account for the receipt and disbursement of the Cherry Creek Basin Water Quality Authority's imposed Development Fee.

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS

COMBINING STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUNDS

DECEMBER 31, 2020

| | Add-On PIF Fund | Special District Fee Fund | Use Tax Fund | Authority Development Fee Fund | Total Custodial Funds |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| Cash and cash equivalents | $ 80,959 | $ 43,916 | $ 155,895 | $ 1,140 | $ 281,910 |
| Total assets | 80,959 | 43,916 | 155,895 | 1,140 | 281,910 |
| **LIABILITIES** | | | | | |
| Accounts payable | - | - | 500 | - | 500 |
| Due to organizations and other governments | 80,959 | 43,916 | 155,395 | 1,140 | 281,410 |
| Total liabilities | 80,959 | 43,916 | 155,895 | 1,140 | 281,910 |
| **NET POSITION** | | | | | |
| Net position restricted for organizations and other governments | - | - | - | - | - |
| Total net position | $ - | $ - | $ - | $ - | $ - |

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2020

| | Add-On PIF Fund | Special District Fee Fund | Use Tax Fund | Authority Development Fee Fund | Total Custodial Funds |
|---|---|---|---|---|---|
| **ADDITIONS** | | | | | |
| Fee and permit collections for other governments | $ 392,152 | $ 695,501 | $ - | $ 20,040 | $ 1,107,694 |
| Tax collections for other governments | - | - | 1,705,233 | - | 1,705,233 |
| Total additions | 392,152 | 695,501 | 1,705,233 | 20,040 | 2,812,927 |
| **DEDUCTIONS** | | | | | |
| Payments of fees and permits to organizations and other governments | 392,152 | 693,762 | - | 20,040 | 1,105,955 |
| Payments of taxes to other governments | - | - | 1,699,233 | - | 1,699,233 |
| Administrative expense | - | 1,739 | 6,000 | - | 7,739 |
| Total deductions | 392,152 | 695,501 | 1,705,233 | 20,040 | 2,812,927 |
| Net increase (decrease) in fiduciary net position | - | - | - | - | - |
| Net position - beginning | - | - | - | - | - |
| Net position - ending | $ - | $ - | $ - | $ - | $ - |

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# STATISTICAL SECTION

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic Information

Operating Information

# STATISTICAL SECTION

This section of the Town of Castle Rock's Comprehensive Annual Financial Report provides detailed information to help readers better understand what the information in the financial statements, note disclosures, and required supplemental information says about the Town's overall financial health.

**TABLE OF CONTENTS** **Page**


**Financial Trends** 165
These schedules contain trend information to help the reader understand how the financial performance and well-being of the Town has changed over time.

**Revenue Capacity** 178
These schedules contain information to help the reader assess the Town's most significant local revenue source, sales tax.

**Debt Capacity** 197
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

**Demographic and Economic Information** 207
These schedules provide demographic and economic indicators to help the reader understand the environment within which the Town operates.

**Operating Information** 214
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 the Town provides and the activities it performs.


**Sources:** Unless otherwise noted, the information in the following schedules is derived from the comprehensive annual financial reports for the relevant years.

# Financial Trends

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TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE NET POSITION BY COMPONENT
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 1 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **GOVERNMENTAL ACTIVITIES** | | | | |
| Net investment in capital assets | $ 217,467,207 | $ 225,585,883 | $ 201,422,904 | $ 254,066,717 |
| Restricted | 2,196,333 | 1,994,901 | 70,760,651 | 8,223,087 |
| Unrestricted | 55,122,930 | 52,464,307 | 23,335,029 | 52,846,664 |
| Total governmental activities net position | 274,786,470 | 280,045,091 | 295,518,584 | 315,136,468 |
| **BUSINESS-TYPE ACTIVITIES** | | | | |
| Net investment in capital assets | 315,765,489 | 318,957,957 | 314,819,483 | 333,160,111 |
| Unrestricted | 96,121,678 | 110,322,628 | 135,789,073 | 143,859,391 |
| Total business-type activities net position | 411,887,167 | 429,280,585 | 450,608,556 | 477,019,502 |
| **PRIMARY GOVERNMENT** | | | | |
| Net investment in capital assets | 533,232,696 | 544,543,840 | 516,242,387 | 587,226,828 |
| Restricted | 2,196,333 | 1,994,901 | 70,760,651 | 8,223,087 |
| Unrestricted | 151,244,608 | 162,786,935 | 159,124,102 | 196,706,055 |
| Total primary government net position | $ 686,673,637 | $ 709,325,676 | $ 746,127,140 | $ 792,155,970 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 281,695,831 | $ 302,585,569 | $ 313,943,660 | $ 332,762,370 | $ 361,694,721 | $ 376,706,367 |
| 11,447,113 | 11,435,201 | 14,486,482 | 19,853,075 | 16,884,859 | 29,327,323 |
| 36,287,969 | 38,993,869 | 41,495,945 | 47,989,843 | 49,179,639 | 64,958,841 |
| 329,430,913 | 353,014,639 | 369,926,087 | 400,605,288 | 427,759,219 | 470,992,531 |
| 343,865,979 | 367,831,717 | 444,474,020 | 473,027,666 | 512,559,768 | 567,915,608 |
| 164,510,149 | 178,911,069 | 138,557,064 | 150,221,369 | 134,822,353 | 130,333,154 |
| 508,376,128 | 546,742,786 | 583,031,084 | 623,249,035 | 647,382,121 | 698,248,762 |
| 625,561,810 | 670,417,286 | 758,417,680 | 805,790,036 | 874,254,489 | 944,621,975 |
| 11,447,113 | 11,435,201 | 14,486,482 | 19,853,075 | 16,884,859 | 29,327,323 |
| 200,798,118 | 217,904,938 | 180,053,009 | 198,211,212 | 184,001,992 | 195,291,995 |
| $ 837,807,041 | $ 899,757,425 | $ 952,957,171 | $ 1,023,854,323 | $ 1,075,141,340 | $ 1,169,241,293 |

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE CHANGES IN NET POSITION
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 2 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **EXPENSES** | | | | |
| Governmental activities: | | | | |
| General government | $ 10,053,849 | $ 10,311,488 | $ 10,752,935 | $ 16,404,854 |
| Public safety | 16,059,583 | 17,023,891 | 18,177,110 | 20,150,643 |
| Public works | 17,036,708 | 17,720,922 | 18,765,794 | 19,233,864 |
| Cultural and recreation | 4,590,564 | 5,205,661 | 5,013,020 | 5,617,151 |
| Interest on long-term debt | 733,329 | 684,795 | 1,900,445 | 1,695,011 |
| Total governmental activities expenses | 48,474,033 | 50,946,757 | 54,609,304 | 63,101,523 |
| Business-type activities: | | | | |
| Water | 13,500,479 | 13,845,199 | 13,790,680 | 13,259,467 |
| Water resources | 2,663,422 | 2,840,582 | 3,505,791 | 4,406,190 |
| Stormwater | 2,524,188 | 2,632,999 | 2,752,781 | 3,047,542 |
| Wastewater | 7,619,081 | 8,021,540 | 8,023,526 | 8,231,592 |
| Golf | 2,185,290 | 2,318,379 | 2,312,927 | 2,426,425 |
| Community center | 4,218,613 | 4,183,298 | 4,611,098 | 5,117,001 |
| Development services | 2,399,589 | 2,446,421 | 3,113,710 | 3,763,554 |
| Total business-type activities expenses | 35,110,662 | 36,288,418 | 38,110,513 | 40,251,771 |
| **PROGRAM REVENUES** | | | | |
| Governmental activities: | | | | |
| Charges for services: | | | | |
| General government | 2,902,182 | 2,989,662 | 3,398,349 | 3,499,635 |
| Public safety | 2,898,099 | 2,786,966 | 2,978,129 | 2,748,927 |
| Public works | 886,933 | 1,327,345 | 2,393,368 | 2,086,424 |
| Cultural and recreation | 1,189,068 | 1,649,862 | 2,699,234 | 2,342,764 |
| Operating grants and contributions | 3,667,953 | 3,620,497 | 6,415,121 | 5,930,735 |
| Capital grants and contributions | 2,155,847 | 1,666,066 | 4,233,013 | 17,746,543 |
| Total governmental activities program revenues | 13,700,082 | 14,040,398 | 22,117,214 | 34,355,028 |
| Business-type activities: | | | | |
| Charges for services: | | | | |
| Water | 11,920,422 | 13,607,612 | 12,272,368 | 11,484,921 |
| Water resources | 6,140,619 | 6,397,234 | 6,691,043 | 7,110,200 |
| Stormwater | 1,836,749 | 1,815,055 | 1,991,406 | 2,331,881 |
| Wastewater | 7,407,589 | 7,906,426 | 8,634,009 | 8,759,397 |
| Golf | 2,331,460 | 2,649,636 | 2,677,310 | 2,773,387 |
| Community center | 2,454,771 | 2,536,342 | 2,670,239 | 3,062,365 |
| Development services | 2,602,431 | 3,456,483 | 4,622,507 | 4,052,836 |
| Capital grants and contributions | 12,882,101 | 12,831,081 | 20,162,551 | 22,959,052 |
| Total business-type activities program revenues | 47,576,142 | 51,199,869 | 59,721,433 | 62,534,039 |
| Total primary government program revenues | $ 61,276,224 | $ 65,240,267 | $ 81,838,647 | $ 96,889,067 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 15,160,901 | $ 14,023,404 | $ 15,237,806 | $ 16,128,883 | $ 17,615,169 | $ 19,217,793 |
| 22,476,557 | 23,951,068 | 26,837,846 | 28,499,674 | 31,616,925 | 30,340,170 |
| 22,300,425 | 25,769,578 | 27,654,814 | 29,833,280 | 37,096,813 | 32,326,601 |
| 6,501,612 | 7,677,894 | 7,590,806 | 8,201,097 | 7,995,062 | 8,360,633 |
| 1,641,360 | 1,445,842 | 1,450,707 | 1,428,837 | 1,337,305 | 1,237,504 |
| 68,080,855 | 72,867,786 | 78,771,979 | 84,091,771 | 95,661,274 | 91,482,701 |
| 14,462,500 | 14,817,848 | 14,838,232 | 15,599,176 | 18,519,142 | 18,921,743 |
| 4,555,574 | 5,925,682 | 6,291,869 | 8,695,784 | 9,849,461 | 10,777,309 |
| 3,493,118 | 4,117,364 | 4,004,389 | 4,256,104 | 4,480,720 | 4,922,935 |
| 7,985,659 | 8,054,679 | 11,365,376 | 22,442,714 | 25,748,740 | 10,161,425 |
| 2,723,815 | 2,777,471 | 2,879,397 | 2,874,399 | 3,020,217 | 3,104,291 |
| 6,210,318 | 6,600,250 | 6,691,990 | 7,087,816 | 8,084,639 | 6,214,007 |
| 4,346,027 | 5,315,651 | 5,831,788 | 5,758,964 | 6,233,635 | 6,779,057 |
| 43,777,011 | 47,608,945 | 51,903,041 | 66,714,957 | 75,936,554 | 60,880,767 |
| 3,950,825 | 3,830,017 | 4,213,469 | 4,414,744 | 4,256,832 | 5,152,731 |
| 3,003,469 | 3,263,779 | 3,638,038 | 4,065,404 | 4,001,601 | 4,568,332 |
| 2,283,891 | 3,248,842 | 3,407,838 | 6,312,477 | 6,473,501 | 12,479,568 |
| 2,389,953 | 3,219,809 | 3,356,506 | 4,114,858 | 3,460,974 | 7,399,434 |
| 4,798,880 | 4,465,204 | 4,614,103 | 5,356,759 | 6,973,214 | 12,496,755 |
| 10,285,470 | 18,645,995 | 12,562,716 | 19,443,668 | 24,506,240 | 17,892,285 |
| 26,712,488 | 36,673,646 | 31,792,670 | 43,707,910 | 49,672,362 | 59,989,105 |
| 13,027,856 | 14,393,516 | 17,210,558 | 16,186,541 | 18,236,901 | 19,557,916 |
| 7,672,085 | 8,206,834 | 10,537,762 | 11,459,270 | 16,465,907 | 13,410,716 |
| 2,239,481 | 2,609,893 | 3,478,385 | 4,222,729 | 4,049,342 | 3,785,567 |
| 9,259,550 | 9,691,906 | 10,300,046 | 11,236,722 | 11,214,673 | 11,271,632 |
| 2,783,584 | 2,971,846 | 3,057,548 | 3,132,347 | 3,189,851 | 3,629,195 |
| 3,862,296 | 3,852,074 | 3,804,710 | 3,908,721 | 4,430,672 | 1,962,493 |
| 4,677,648 | 6,292,090 | 5,720,631 | 6,492,172 | 6,304,317 | 7,567,736 |
| 28,827,928 | 34,394,316 | 29,859,373 | 46,318,722 | 30,603,260 | 44,344,837 |
| 72,350,428 | 82,412,475 | 83,969,013 | 102,957,224 | 94,494,923 | 105,530,092 |
| $ 99,062,916 | $ 119,086,121 | $ 115,761,683 | $ 146,665,134 | $ 144,167,285 | $ 165,519,197 |

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE CHANGES IN NET POSITION (CONTINUED)
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 2 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **NET (EXPENSE) REVENUE** | | | | |
| Governmental activities | $ (34,773,951) | $ (36,906,359) | $ (32,492,090) | $ (28,746,495) |
| Business-type activities | 12,465,480 | 14,911,451 | 21,610,920 | 22,282,268 |
| Total primary government net expense | $ (22,308,471) | $ (21,994,908) | $ (10,881,170) | $ (6,464,227) |
| **GENERAL REVENUES AND OTHER CHANGES IN NET POSITION** | | | | |
| Governmental activities | | | | |
| Taxes | | | | |
| Property taxes | $ 1,107,720 | $ 949,513 | $ 957,883 | $ 1,004,072 |
| Sales taxes | 27,890,577 | 30,134,903 | 33,321,579 | 35,698,294 |
| Use taxes | 2,647,784 | 4,507,890 | 5,449,404 | 4,613,694 |
| Motor vehicle | 3,331,459 | 3,875,769 | 4,327,109 | 4,963,693 |
| Other taxes | 2,141,971 | 2,147,887 | 2,312,906 | 2,519,409 |
| Interest and investment earnings | 316,419 | 254,274 | 99,790 | 335,763 |
| Other revenues | 697,282 | 275,280 | 251,632 | 363,420 |
| Transfers | 585 | 19,464 | 1,486,707 | (1,133,966) |
| Total governmental activities | 38,133,797 | 42,164,980 | 48,207,010 | 48,364,379 |
| Business-type activities | | | | |
| Taxes | 1,798,421 | 2,033,108 | 2,266,010 | 2,391,546 |
| Interest and investment earnings | 562,378 | 468,323 | 134,476 | 603,166 |
| Transfers | (585) | (19,464) | (1,486,707) | 1,133,966 |
| Total business-type activities | 2,360,214 | 2,481,967 | 913,779 | 4,128,678 |
| Total primary government | $ 40,494,011 | $ 44,646,947 | $ 49,120,789 | $ 52,493,057 |
| **CHANGE IN NET POSITION** | | | | |
| Governmental activities | $ 3,359,846 | $ 5,258,621 | $ 15,714,920 | $ 19,617,884 |
| Business-type activities | 14,825,694 | 17,393,418 | 22,524,699 | 26,410,946 |
| Total primary government | $ 18,185,540 | $ 22,652,039 | $ 38,239,619 | $ 46,028,830 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ (41,368,367) | $ (36,194,140) | $ (46,979,309) | $ (40,383,861) | $ (45,988,912) | $ (31,493,596) |
| 28,573,417 | 34,803,530 | 32,065,972 | 36,242,267 | 18,558,369 | 44,649,325 |
| $ (12,794,950) | $ (1,390,610) | $ (14,913,337) | $ (4,141,594) | $ (27,430,543) | $ 13,155,729 |
| $ 1,024,564 | $ 1,094,337 | $ 1,174,213 | $ 1,330,579 | $ 1,483,121 | $ 1,744,657 |
| 38,526,092 | 41,632,958 | 45,412,814 | 48,608,882 | 50,729,264 | 52,468,081 |
| 5,033,746 | 7,671,139 | 7,358,941 | 8,861,469 | 8,080,760 | 10,103,705 |
| 5,694,180 | 6,125,671 | 6,334,416 | 6,808,761 | 7,560,750 | 6,296,757 |
| 2,626,034 | 2,683,156 | 2,804,922 | 2,919,175 | 3,111,497 | 2,887,574 |
| 274,086 | 322,843 | 491,214 | 1,000,045 | 1,589,888 | 1,215,566 |
| 710,521 | 303,285 | 233,717 | 229,881 | 135,487 | 198,225 |
| 240,024 | (55,523) | 80,520 | 1,304,270 | 452,076 | (187,657) |
| 54,129,247 | 59,777,866 | 63,890,757 | 71,063,062 | 73,142,843 | 74,726,908 |
| 2,519,151 | 2,791,379 | 3,027,602 | 3,277,885 | 3,406,474 | 3,675,008 |
| 504,082 | 716,226 | 1,275,244 | 2,002,069 | 2,620,319 | 2,354,651 |
| (240,024) | 55,523 | (80,520) | (1,304,270) | (452,076) | 187,657 |
| 2,783,209 | 3,563,128 | 4,222,326 | 3,975,684 | 5,574,717 | 6,217,316 |
| $ 56,912,456 | $ 63,340,994 | $ 68,113,083 | $ 75,038,746 | $ 78,717,560 | $ 80,944,224 |
| $ 12,760,880 | $ 23,583,726 | $ 16,911,448 | $ 30,679,201 | $ 27,153,931 | $ 43,233,312 |
| 31,356,626 | 38,366,658 | 36,288,298 | 40,217,951 | 24,133,086 | 50,866,641 |
| $ 44,117,506 | $ 61,950,384 | $ 53,199,746 | $ 70,897,152 | $ 51,287,017 | $ 94,099,953 |

TOWN OF CASTLE ROCK, COLORADO

PROGRAM REVENUES BY FUNCTION
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 3 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **REVENUE SOURCE** | | | | |
| **PROGRAM REVENUES** | | | | |
| Charges for services | $ 42,570,323 | $ 47,122,623 | $ 51,027,962 | $ 50,252,737 |
| Operating grants and contributions | 3,667,953 | 3,620,497 | 6,415,121 | 5,930,735 |
| Capital grants and contributions | 15,037,948 | 14,497,147 | 24,395,564 | 40,705,595 |
| Total program revenues | 61,276,224 | 65,240,267 | 81,838,647 | 96,889,067 |
| **GENERAL REVENUES** | | | | |
| Property taxes | 1,107,720 | 949,513 | 957,883 | 1,004,072 |
| Sales taxes | 29,350,586 | 31,710,136 | 35,064,818 | 37,566,668 |
| Use tax-building and motor vehicle | 6,317,655 | 8,841,534 | 10,299,284 | 10,100,559 |
| Other taxes | 2,141,971 | 2,147,887 | 2,312,906 | 2,519,409 |
| Investment earnings | 878,797 | 722,597 | 234,266 | 938,929 |
| Other | 697,282 | 275,280 | 251,632 | 363,420 |
| Total general revenues | 40,494,011 | 44,646,947 | 49,120,789 | 52,493,057 |
| Total revenues | $ 101,770,235 | $ 109,887,214 | $ 130,959,436 | $ 149,382,124 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 55,150,638 | $ 61,580,606 | $ 68,725,491 | $ 75,545,985 | $ 82,084,571 | $ 90,785,320 |
| 4,798,880 | 4,465,204 | 4,614,103 | 5,356,759 | 6,973,214 | 12,496,755 |
| 39,113,398 | 53,040,311 | 42,422,089 | 65,762,390 | 55,109,500 | 62,237,122 |
| 99,062,916 | 119,086,121 | 115,761,683 | 146,665,134 | 144,167,285 | 165,519,197 |
| 1,024,564 | 1,094,337 | 1,174,213 | 1,330,579 | 1,483,121 | 1,744,657 |
| 40,476,326 | 43,742,356 | 47,732,084 | 51,064,615 | 53,320,475 | 55,296,880 |
| 11,296,843 | 14,478,791 | 14,401,689 | 16,492,382 | 16,456,773 | 17,246,671 |
| 2,626,034 | 2,683,156 | 2,804,922 | 2,919,175 | 3,111,497 | 2,887,574 |
| 778,168 | 1,039,069 | 1,766,458 | 3,002,114 | 4,210,207 | 3,570,217 |
| 710,521 | 303,285 | 233,717 | 229,881 | 135,487 | 198,225 |
| 56,912,456 | 63,340,994 | 68,113,083 | 75,038,746 | 78,717,560 | 80,944,224 |
| $ 155,975,372 | $ 182,427,115 | $ 183,874,766 | $ 221,703,880 | $ 222,884,845 | $ 246,463,421 |

TOWN OF CASTLE ROCK, COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 4 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **GENERAL FUND** | | | | |
| Nonspendable | $ 2,509,652 | $ 2,347,282 | $ 2,394,370 | $ 2,310,718 |
| Restricted | 1,103,533 | 1,165,617 | 1,392,346 | 1,492,076 |
| Committed | 5,120,748 | 5,777,848 | 5,948,954 | 2,995,860 |
| Assigned | 627,494 | 509,931 | 986,870 | 270,941 |
| Unassigned | 9,549,058 | 12,434,317 | 12,135,511 | 13,929,961 |
| Total general fund | $ 18,910,485 | $ 22,234,995 | $ 22,858,051 | $ 20,999,556 |
| **ALL OTHER GOVERNMENTAL FUNDS** | | | | |
| Nonspendable | $ 55,094 | $ 32,773 | $ 38,230 | $ 36,208 |
| Restricted | 5,644,239 | 5,662,923 | 32,760,951 | 6,731,011 |
| Committed | 21,060,725 | 24,951,053 | 36,569,124 | 31,480,395 |
| Unassigned | (1,026,554) | (887,594) | (812,262) | (717,329) |
| Total all other governmental funds | $ 25,733,504 | $ 29,759,155 | $ 68,556,043 | $ 37,530,285 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 2,634,861 | $ 2,724,800 | $ 6,273,689 | $ 5,433,140 | $ 4,591,792 | $ 3,451,699 |
| 1,633,328 | 1,670,055 | 1,754,607 | 1,898,642 | 2,052,460 | 11,881,852 |
| 3,011,282 | 4,632,978 | 5,561,036 | 6,390,596 | 5,164,845 | 7,475,925 |
| 876,594 | 220,782 | 1,501,424 | 6,057,187 | 2,145,008 | 3,077,600 |
| 13,905,280 | 16,148,395 | 14,319,577 | 12,517,874 | 15,592,815 | 21,102,116 |
| $ 22,061,345 | $ 25,397,010 | $ 29,410,333 | $ 32,297,439 | $ 29,546,920 | $ 46,989,192 |
| $ 851,972 | $ 57,940 | $ 63,269 | $ 65,643 | $ 72,486 | $ 77,008 |
| 7,963,605 | 7,729,860 | 10,843,652 | 16,322,110 | 14,832,399 | 26,632,223 |
| 14,832,926 | 14,037,404 | 13,306,523 | 16,030,561 | 12,430,285 | 21,125,135 |
| (2,424,048) | (1,050,283) | (1,318,438) | (3,042,089) | (2,641,730) | (930,030) |
| $ 21,224,455 | $ 20,774,921 | $ 22,895,006 | $ 29,376,225 | $ 24,693,440 | $ 46,904,336 |

TOWN OF CASTLE ROCK, COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
TABLE 5 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **REVENUES** | | | | |
| Taxes | | | | |
| Property | $ 1,107,720 | $ 949,513 | $ 957,883 | $ 1,004,072 |
| Sales | 27,890,577 | 30,134,903 | 33,321,579 | 35,698,294 |
| Use | 2,647,784 | 4,507,890 | 5,449,404 | 4,613,694 |
| Motor vehicle | 3,331,459 | 3,875,769 | 4,327,109 | 4,963,693 |
| Other | 2,141,971 | 2,147,887 | 2,312,906 | 2,519,409 |
| Development impact fees | 2,434,430 | 3,432,150 | 5,864,237 | 5,684,787 |
| Licenses and permits | 188,614 | 221,699 | 212,174 | 192,421 |
| Charges for services | 1,791,361 | 1,510,390 | 1,820,335 | 1,813,775 |
| Management fees | 2,627,670 | 2,599,023 | 2,501,728 | 2,489,606 |
| Fines and forfeitures | 546,024 | 484,226 | 361,104 | 542,459 |
| Intergovernmental | 4,072,775 | 3,470,817 | 5,598,398 | 5,680,885 |
| Investment earnings | 275,728 | 226,911 | 93,667 | 316,903 |
| Contributions and donations | 589,271 | 614,653 | 848,837 | 791,224 |
| Other | 876,708 | 553,773 | 552,048 | 543,221 |
| Total revenues | 50,522,092 | 54,729,604 | 64,221,409 | 66,854,443 |
| **EXPENDITURES** | | | | |
| Current | | | | |
| General government | 8,645,829 | 8,897,958 | 9,711,316 | 15,328,617 |
| Public safety | 15,926,597 | 17,050,118 | 18,362,513 | 19,917,911 |
| Public works | 8,463,180 | 8,666,415 | 9,712,423 | 10,009,814 |
| Culture and recreation | 3,093,878 | 3,647,476 | 3,384,239 | 3,668,965 |
| Capital Outlay | 4,377,360 | 7,134,263 | 13,354,103 | 46,800,960 |
| Debt service | | | | |
| Principal | 1,174,634 | 1,595,202 | 1,049,880 | 1,605,087 |
| Interest | 712,744 | 657,813 | 1,330,288 | 1,808,034 |
| Debt issue costs | - | - | 555,661 | - |
| Agency fees | 1,100 | 750 | 400 | 2,700 |
| Total expenditures | 42,395,322 | 47,649,995 | 57,460,823 | 99,142,088 |
| Excess of revenues over (under) expenditures | 8,126,770 | 7,079,609 | 6,760,586 | (32,287,645) |
| **OTHER FINANCING SOURCES (USES)** | | | | |
| Inception of capital lease | - | 269,967 | - | 938,402 |
| Certificates of Participation | - | - | 9,245,000 | - |
| Bond issuance | - | - | 20,000,000 | - |
| Notes Payable | - | - | - | - |
| Premium (discount) on bonds | - | - | 2,629,470 | - |
| Transfers in | 16,052,721 | 1,318,423 | 17,155,293 | 11,015,492 |
| Payment to escrow agent | - | - | - | - |
| Transfers out | (16,150,136) | (1,317,838) | (16,370,405) | (12,550,502) |
| Total other financing sources (uses) | (97,415) | 270,552 | 32,659,358 | (596,608) |
| Net change in fund balances Fund balances | $ 8,029,355 | $ 7,350,161 | $ 39,419,944 | $ (32,884,253) |
| Debt service as a percentage of noncapital expenditures | 4.96% | 5.56% | 5.40% | 6.52% |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 1,024,564 | $ 1,094,337 | $ 1,174,213 | $ 1,330,579 | $ 1,483,121 | $ 1,744,657 |
| 38,526,092 | 41,632,958 | 45,412,814 | 48,608,882 | 50,729,264 | 52,072,342 |
| 5,033,746 | 7,671,139 | 7,358,941 | 8,861,469 | 8,080,760 | 10,103,705 |
| 5,694,180 | 6,125,671 | 6,334,416 | 6,808,761 | 7,560,750 | 6,296,757 |
| 2,626,034 | 2,683,156 | 2,804,922 | 2,919,175 | 3,111,497 | 2,887,574 |
| 5,691,343 | 7,607,698 | 7,989,231 | 11,921,883 | 11,153,802 | 21,895,968 |
| 232,611 | 232,540 | 242,533 | 236,904 | 272,487 | 264,692 |
| 1,979,765 | 2,244,591 | 2,326,651 | 2,633,658 | 2,564,419 | 2,268,335 |
| 2,770,586 | 2,886,561 | 3,274,465 | 3,434,368 | 3,421,034 | 4,308,917 |
| 815,713 | 440,519 | 399,681 | 412,374 | 402,875 | 270,019 |
| 7,751,453 | 5,692,037 | 4,327,153 | 6,084,390 | 8,250,439 | 12,313,151 |
| 255,876 | 296,617 | 447,166 | 918,709 | 1,477,480 | 1,129,238 |
| 604,013 | 581,070 | 792,259 | 658,018 | 1,388,440 | 556,530 |
| 895,230 | 457,493 | 584,629 | 418,087 | 423,667 | 717,982 |
| 73,901,206 | 79,646,387 | 83,469,074 | 95,247,257 | 100,320,035 | 116,829,867 |
| 12,756,053 | 12,308,420 | 13,937,216 | 14,895,787 | 16,413,940 | 18,150,269 |
| 22,187,805 | 23,545,337 | 25,971,232 | 29,010,161 | 30,490,734 | 29,460,283 |
| 13,155,869 | 15,706,515 | 16,239,204 | 17,695,519 | 24,577,746 | 17,596,280 |
| 3,929,160 | 4,858,749 | 4,712,621 | 5,341,350 | 5,464,112 | 5,007,153 |
| 33,319,262 | 19,132,373 | 12,269,269 | 16,282,437 | 25,849,836 | 13,370,735 |
| 1,742,800 | 1,802,801 | 1,277,801 | 1,075,000 | 3,720,000 | 1,530,000 |
| 1,748,126 | 1,583,329 | 1,649,039 | 1,613,005 | 1,527,647 | 1,316,606 |
| - | 159,890 | - | - | - | 388,511 |
| 2,700 | 2,625 | 2,850 | 2,704 | 2,600 | 2,600 |
| 88,841,775 | 79,100,039 | 76,059,232 | 85,915,963 | 108,046,615 | 86,822,437 |
| (14,940,569) | 546,348 | 7,409,842 | 9,331,294 | (7,726,580) | 30,007,430 |
| - | - | - | - | - | - |
| - | - | - | - | - | 1,467,716 |
| - | 7,405,000 | - | - | - | 27,035,000 |
| - | 2,500,000 | - | - | - | - |
| - | 1,389,503 | - | - | - | (16,747) |
| 6,973,840 | 8,130,962 | 4,240,560 | 5,120,410 | 5,264,477 | 3,384,501 |
| - | (8,659,717) | - | - | - | (18,452,327) |
| (7,277,312) | (8,425,965) | (5,516,994) | (5,083,379) | (4,971,201) | (3,772,405) |
| (303,472) | 2,339,783 | (1,276,434) | 37,031 | 293,276 | 9,645,738 |
| $ (15,244,041) | $ 2,886,131 | $ 6,133,408 | $ 9,368,325 | $ (7,433,304) | $ 39,653,168 |
| 6.29% | 5.65% | 4.59% | 3.86% | 6.38% | 3.88% |

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## Revenue Capacity

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
TAX REVENUE BY SOURCE
LAST TEN YEARS
TABLE 6 (UNAUDITED)

| Year | Property Taxes | Sales and Use Taxes | Motor Vehicle | Other Taxes | Total |
|---|---|---|---|---|---|
| 2011 | $ 1,107,720 | $ 30,538,361 | $ 3,331,459 | $ 2,141,971 | $ 37,119,511 |
| 2012 | 949,513 | 34,642,793 | 3,875,769 | 2,147,887 | 41,615,962 |
| 2013 | 957,883 | 38,770,983 | 4,327,109 | 2,312,906 | 46,368,881 |
| 2014 | 1,004,072 | 40,311,988 | 4,963,693 | 2,519,409 | 48,799,162 |
| 2015 | 1,024,564 | 43,559,838 | 5,694,180 | 2,626,034 | 52,904,616 |
| 2016 | 1,094,337 | 49,304,097 | 6,125,671 | 2,683,156 | 59,207,261 |
| 2017 | 1,174,213 | 52,771,755 | 6,334,416 | 2,804,922 | 63,085,306 |
| 2018 | 1,330,579 | 57,470,351 | 6,808,761 | 2,919,175 | 68,528,866 |
| 2019 | 1,483,121 | 58,810,024 | 7,560,750 | 3,111,497 | 70,965,392 |
| 2020 | 1,744,657 | 62,176,047 | 6,296,757 | 2,887,574 | 73,105,035 |

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE EXPENSES BY ACTIVITY AND FUNCTION
LAST TEN YEARS
TABLE 7 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **GOVERNMENTAL ACTIVITIES** | | | | |
| General government | $ 10,053,849 | $ 10,311,488 | $ 10,752,935 | $ 16,404,854 |
| Public safety | 16,059,583 | 17,023,891 | 18,177,110 | 20,150,643 |
| Public works | 17,036,708 | 17,720,922 | 18,765,794 | 19,233,864 |
| Cultural and recreation | 4,590,564 | 5,205,661 | 5,013,020 | 5,617,151 |
| Interest on long-term debt | 733,329 | 684,795 | 1,900,445 | 1,695,011 |
| Total governmental activities | 48,474,033 | 50,946,757 | 54,609,304 | 63,101,523 |
| **BUSINESS-TYPE ACTIVITIES** | | | | |
| Water | 13,500,479 | 13,845,199 | 13,790,680 | 13,259,467 |
| Water resources | 2,663,422 | 2,840,582 | 3,505,791 | 4,406,190 |
| Stormwater | 2,524,188 | 2,632,999 | 2,752,781 | 3,047,542 |
| Wastewater | 7,619,081 | 8,021,540 | 8,023,526 | 8,231,592 |
| Golf course | 2,185,290 | 2,318,379 | 2,312,927 | 2,426,425 |
| Community center | 4,218,613 | 4,183,298 | 4,611,098 | 5,117,001 |
| Development services | 2,399,589 | 2,446,421 | 3,113,710 | 3,763,554 |
| Total business-type activities | 35,110,662 | 36,288,418 | 38,110,513 | 40,251,771 |
| Total all activities | $ 83,584,695 | $ 87,235,175 | $ 92,719,817 | $ 103,353,294 |

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 15,160,901 | $ 14,023,404 | $ 15,237,806 | $ 16,128,883 | $ 17,615,169 | $ 19,217,793 |
| 22,476,557 | 23,951,068 | 26,837,846 | 28,499,674 | 31,616,925 | 30,340,170 |
| 22,300,425 | 25,769,578 | 27,654,814 | 29,833,280 | 37,096,813 | 32,326,601 |
| 6,501,612 | 7,677,894 | 7,590,806 | 8,201,097 | 7,995,062 | 8,360,633 |
| 1,641,360 | 1,445,842 | 1,450,707 | 1,428,837 | 1,337,305 | 1,237,504 |
| 68,080,855 | 72,867,786 | 78,771,979 | 84,091,771 | 95,661,274 | 91,482,701 |
| 14,462,500 | 14,817,848 | 14,838,232 | 15,599,176 | 18,519,142 | 18,921,743 |
| 4,555,574 | 5,925,682 | 6,291,869 | 8,695,784 | 9,849,461 | 10,777,309 |
| 3,493,118 | 4,117,364 | 4,004,389 | 4,256,104 | 4,480,720 | 4,922,935 |
| 7,985,659 | 8,054,679 | 11,365,376 | 22,442,714 | 25,748,740 | 10,161,425 |
| 2,723,815 | 2,777,471 | 2,879,397 | 2,874,399 | 3,020,217 | 3,104,291 |
| 6,210,318 | 6,600,250 | 6,691,990 | 7,087,816 | 8,084,639 | 6,214,007 |
| 4,346,027 | 5,315,651 | 5,831,788 | 5,758,964 | 6,233,635 | 6,779,057 |
| 43,777,011 | 47,608,945 | 51,903,041 | 66,714,957 | 75,936,554 | 60,880,767 |
| $ 111,857,866 | $ 120,476,731 | $ 130,675,020 | $ 150,806,728 | $ 171,597,828 | $ 152,363,468 |

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN YEARS
TABLE 8 (UNAUDITED)

| Year | General Government | Public Safety | Public Works | Culture and Recreation |
|---|---|---|---|---|
| 2011 | $ 8,645,829 | $ 15,926,597 | $ 8,463,180 | $ 3,093,878 |
| 2012 | 8,897,958 | 17,050,118 | 8,666,415 | 3,647,476 |
| 2013 | 9,711,316 | 18,362,513 | 9,712,423 | 3,384,239 |
| 2014 | 15,328,617 | 19,917,911 | 10,009,814 | 3,668,965 |
| 2015 | 12,756,053 | 22,187,805 | 13,155,869 | 3,929,160 |
| 2016 | 12,308,420 | 23,545,337 | 15,706,515 | 4,858,749 |
| 2017 | 13,937,216 | 25,971,232 | 16,239,204 | 4,712,621 |
| 2018 | 14,895,787 | 29,010,161 | 17,695,519 | 5,341,350 |
| 2019 | 16,413,940 | 30,490,734 | 24,577,746 | 5,464,112 |
| 2020 | 18,150,269 | 29,460,283 | 17,596,280 | 5,007,153 |

| Capital Outlay | Debt Service | Total |
|---|---|---|
| $ 4,377,360 | $ 1,888,478 | $ 42,395,322 |
| 7,134,263 | 2,253,765 | 47,649,995 |
| 13,354,103 | 2,936,229 | 57,460,823 |
| 46,800,960 | 3,415,821 | 99,142,088 |
| 33,319,262 | 3,493,626 | 88,841,775 |
| 19,132,373 | 3,548,645 | 79,100,039 |
| 12,269,269 | 2,929,690 | 76,059,232 |
| 16,282,437 | 2,690,709 | 85,915,963 |
| 25,849,836 | 5,250,247 | 108,046,615 |
| 13,370,735 | 3,237,717 | 86,822,437 |

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
TABLE 9 (UNAUDITED)

| Fiscal Year Ended December 31, | Collection Year | Taxes Levied For The Fiscal Year [2] | Collection [1] Within The Fiscal Year Of The Levy | |
|---|---|---|---|---|
| | | | Amount | Percentage of Levy |
| 2010 | 2011 | $ 1,131,997 | $ 1,111,298 | 98.17% |
| 2011 | 2012 | 987,408 | 969,273 | 98.16% |
| 2012 | 2013 | 990,408 | 968,092 | 97.75% |
| 2013 | 2014 | 1,026,278 | 1,005,361 | 97.96% |
| 2014 | 2015 | 1,058,617 | 1,026,471 | 96.96% |
| 2015 | 2016 | 1,116,841 | 1,095,063 | 98.05% |
| 2016 | 2017 | 1,165,838 | 1,174,213 | 100.72% |
| 2017 | 2018 | 1,282,528 | 1,330,579 | 103.75% |
| 2018 | 2019 | 1,353,067 | 1,483,121 | 109.61% |
| 2019 | 2020 | 1,405,352 | 1,744,657 | 124.14% |

(1) Does not include Douglas County's collection fee, which is shown as an expenditure in the General Fund.

(2) **Source:** Douglas County Assessor's Office

| Collections/ Abatements for Previous Years | Total Collections To Date | |
|---|---|---|
| | Amount | Percentage Of Levy |
| $ (3,578) | $ 1,107,720 | 97.86% |
| (19,760) | 949,513 | 96.16% |
| (10,209) | 957,883 | 96.72% |
| (1,289) | 1,004,072 | 97.84% |
| (1,907) | 1,024,564 | 96.78% |
| (726) | 1,094,337 | 97.99% |
| (735) | 1,174,213 | 100.72% |
| (1,943) | 1,328,636 | 103.60% |
| (3,065) | 1,480,056 | 109.39% |
| (2,051) | 1,742,606 | 124.00% |

TOWN OF CASTLE ROCK, COLORADO

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
TABLE 10 (UNAUDITED)

| Levy Year | Residential Property | Vacant Land | Commercial Property | Industrial Property | State Assessed |
|---|---|---|---|---|---|
| 2011 | $ 335,766,520 | $ 46,466,680 | $ 296,102,250 | $ 13,396,380 | $ 796,280 |
| 2012 | 343,534,020 | 41,984,700 | 302,196,130 | 13,032,070 | 2,774,279 |
| 2013 | 363,579,780 | 40,563,930 | 309,448,920 | 12,938,450 | 2,307,357 |
| 2014 | 385,083,220 | 35,092,890 | 337,469,940 | 13,435,230 | 1,969,800 |
| 2015 | 485,560,640 | 47,388,740 | 375,941,270 | 14,240,470 | 1,800,300 |
| 2016 | 509,222,200 | 49,095,430 | 381,534,780 | 14,863,020 | 1,882,500 |
| 2017 | 573,096,130 | 68,923,730 | 429,115,590 | 17,470,040 | 2,001,100 |
| 2018 | 603,391,330 | 62,684,170 | 442,210,700 | 18,469,810 | 2,316,000 |
| 2019 | 722,174,210 | 71,047,980 | 500,811,820 | 21,247,350 | 1,735,800 |
| 2020 | 758,756,980 | 72,967,870 | 512,407,380 | 27,822,780 | 1,768,700 |

**Source:** Douglas County Assessor's Office

| Personal Property | Less: Tax Exempt Property | Total Taxable Assessed Value | Total Direct Tax Rate | Estimated Actual Taxable Value | Assessed Value As a Percentage of Actual Value |
|---|---|---|---|---|---|
| $ 39,441,080 | $ 151,313,130 | $ 580,656,060 | 1.703 | $ 4,926,886,030 | 11.79% |
| 36,766,720 | 158,721,130 | 581,566,789 | 1.703 | 5,009,979,842 | 11.61% |
| 40,280,646 | 166,489,830 | 602,629,253 | 1.703 | 5,256,549,586 | 11.46% |
| 39,792,780 | 191,225,000 | 621,618,860 | 1.703 | 5,519,719,668 | 11.26% |
| 41,129,400 | 208,224,000 | 757,836,820 | 1.474 | 6,900,625,147 | 10.98% |
| 44,165,470 | 209,215,200 | 791,548,200 | 1.470 | 7,220,343,810 | 10.96% |
| 46,598,790 | 210,541,040 | 926,664,340 | 1.330 | 9,019,519,393 | 10.27% |
| 51,076,660 | 212,733,520 | 967,415,150 | 1.330 | 9,461,004,673 | 10.23% |
| 55,885,140 | 234,543,980 | 1,138,358,320 | 1.196 | 11,343,649,284 | 10.04% |
| 54,879,470 | 240,247,210 | 1,188,355,970 | 1.196 | 11,905,218,264 | 9.98% |

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX RATES (MILLS)
DIRECT AND OVERLAPPING GOVERNMENTS [1]
LAST TEN YEARS
TABLE 11 (UNAUDITED)

| | | Direct Rate | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Levy Year | Collection Year | Town [3] | Douglas County School District RE-1 | Douglas County [4] | Cedar Hill Cemetery | Cherry Creek Basin Authority | Douglas County Library District | Castle Oaks | Castlewood Ranch |
| 2011 | 2012 | 1.703 | 48.788 | 24.274 | 0.149 | 0.500 | 4.040 | 50.000 | 45.000 |
| 2012 | 2013 | 1.703 | 48.727 | 24.274 | 0.168 | 0.500 | 4.068 | 50.000 | 45.000 |
| 2013 | 2014 | 1.703 | 48.277 | 24.274 | 0.187 | 0.500 | 4.029 | 50.000 | 45.000 |
| 2014 | 2015 | 1.703 | 48.277 | 24.274 | 0.187 | 0.500 | 4.032 | 50.000 | 45.000 |
| 2015 | 2016 | 1.474 | 42.439 | 24.274 | 0.160 | 0.449 | 4.035 | 50.000 | 40.000 |
| 2016 | 2017 | 1.474 | 41.064 | 23.774 | 0.162 | 0.437 | 4.016 | 50.000 | 40.000 |
| 2017 | 2018 | 1.330 | 38.996 | 24.274 | 0.148 | 0.453 | 4.021 | 55.277 | 40.000 |
| 2018 | 2019 | 1.330 | 44.950 | 24.274 | 0.148 | 0.479 | 4.008 | 50.422-55.277 | 40.000 |
| 2019 | 2020 | 1.196 | 43.839 | 23.774 | 0.128 | 0.451 | 4.023 | 49.000-55.664 | 40.000 |
| 2020 | 2021 | 1.196 | 43.504 | 23.774 | 0.128 | 0.478 | 4.012 | 49.000-52.953 | 40.000 |

(1) Because no single parcel of property located within the Town's boundaries is located within every entity shown, the table is not indicative of the actual or potential burden upon any single property.
(2) The metropolitan districts fall within the Town's limits and property taxes are collected to fund debt repayment. The mill levy assessed represents ranges based on the individual district's mill levy.
(3) The only component in the Direct Rate is the General Operating Expenses.
(4) Includes law enforcement authority levy.
(5) Dawson Ridge Metro District was issued refunds and abatements in 2015.

**Source:** Douglas County Assessor's Office

| Overlapping Rates | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Metro Districts (2) | | | | | | | | | |
| Crowfoot Valley Ranch | Crystal Crossing | Crystal Valley I & II | Dawson Ridge 1-5 | Founders Village | Lanterns | Maher Ranch | Meadows 1-7 | Plum Creek | Villages At Castle Rock 1-9 |
| 76.750 | 60.230 | 55.940 | 45.000 | 79.146 | 45.000 | 54.000 | 35.000 | 23.000 | 0-71.282 |
| 76.750 | 61.230 | 55.940 | 45.000 | 79.146 | 45.000 | 57.063 | 35.000 | 23.000 | 0-71.536 |
| 76.750 | 62.230 | 55.940 | 45.000 | 79.146 | 45.000 | 57.063 | 35.000 | 23.000 | 0-70.000 |
| 76.750 | 62.230 | 55.940 | 45.000 | 79.146 | 45.000 | 53.000 | 35.000 | 16.650 | 0-70.000 |
| 76.750 | 62.230 | 55.940 | 45-6328.218 (5) | 79.146 | 45.000 | 42.750 | 35.000 | 0.000 | 0-70.000 |
| 76.750 | 67.230 | 55.940 | 45.000 | 79.146 | 45.000 | 40.500 | 35.000 | 0.000 | 0-70.000 |
| 84.850 | 74.091 | 60.274-60.284 | 45.000 | 87.314 | 45.000 | 35.500 | 35.000 | 0.000 | 0-76.332 |
| 84.850 | 74.122 | 60.284 | 45.000 | 87.253 | 74.600 | 35.500 | 35.000 | 0.000 | 4.373-87.253 |
| 85.442 | 74.625 | 5.000-54.854 | 45.000 | 87.842 | 75.121 | 33.500 | 35.000 | 0.000 | 4.402-87.842 |
| 85.442 | 74.625 | 3.500-51.500 | 45.000-51.820 | 88.083 | 75.121 | 33.500 | 35.000 | 0.000 | 4.432-88.083 |

TOWN OF CASTLE ROCK, COLORADO

## TAXABLE SALES BY CATEGORY
## LAST TEN YEARS
## TABLE 12 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| Food & General Merchandise | $ 8,257,628 | $ 8,829,818 | $ 9,408,215 | $ 9,817,626 |
| Apparel & Accessories | 5,004,730 | 5,684,757 | 6,327,660 | 6,662,644 |
| Hotels, Restaurants & Bars | 3,053,783 | 3,598,225 | 4,012,913 | 4,279,072 |
| Misc Retail | 2,591,034 | 2,572,575 | 2,924,378 | 3,219,572 |
| Utilities | 1,830,558 | 1,771,021 | 1,983,954 | 2,106,045 |
| Audit & Collections Revenue | 314,205 | 74,615 | 69,524 | 170,701 |
| Communications | 1,197,043 | 1,329,834 | 1,209,491 | 1,239,425 |
| Home & Garden | 1,762,161 | 2,150,650 | 2,406,044 | 2,600,920 |
| Autos & Auto Items | 1,231,105 | 1,585,930 | 1,677,871 | 1,827,115 |
| Furniture & Home Décor | 485,242 | 616,076 | 849,162 | 1,067,807 |
| Leasing & Rentals | 455,851 | 420,846 | 450,731 | 517,530 |
| Services | 615,334 | 528,748 | 630,009 | 648,057 |
| Agriculture & Construction | 178,302 | 461,286 | 593,868 | 665,826 |
| Wholesale & Manufacturing | 219,978 | 388,896 | 646,284 | 642,773 |
| Total | $ 27,196,954 | $ 30,013,277 | $ 33,190,104 | $ 35,465,113 |
| Town of Castle Rock Sales Tax Rate | 4.0% | 4.0% | 4.0% | 4.0% |

Note: Information reflects Town collected sales tax and does not include Douglas County shareback.

**Source:** Town of Castle Rock Sales Tax Department

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| $ 10,327,221 | $ 10,896,117 | $ 12,944,153 | $ 14,231,685 | $ 13,530,600 | $ 16,126,637 |
| 6,974,642 | 7,376,674 | 8,147,394 | 8,144,044 | 7,659,585 | 5,824,649 |
| 4,646,388 | 5,335,604 | 5,580,192 | 6,006,785 | 6,453,452 | 6,048,091 |
| 3,464,970 | 3,765,358 | 4,168,474 | 5,164,182 | 6,228,567 | 8,482,200 |
| 2,080,306 | 2,036,135 | 2,108,077 | 2,254,822 | 2,307,618 | 2,186,038 |
| 777,210 | 448,084 | 356,768 | 510,401 | 1,324,025 | 1,759,921 |
| 1,329,241 | 1,483,165 | 1,341,322 | 1,423,855 | 1,404,425 | 1,262,109 |
| 2,826,269 | 3,178,848 | 3,307,815 | 3,445,425 | 3,703,262 | 4,527,502 |
| 2,046,740 | 2,217,388 | 2,151,300 | 2,238,964 | 2,225,167 | 2,377,799 |
| 1,164,759 | 1,340,636 | 1,333,269 | 1,331,718 | 1,537,699 | 1,730,813 |
| 618,217 | 810,962 | 937,871 | 1,073,077 | 1,238,673 | 1,231,803 |
| 715,803 | 1,036,407 | 1,012,432 | 985,284 | 939,705 | 963,484 |
| 754,798 | 947,715 | 876,884 | 859,042 | 1,557,688 | 1,803,726 |
| 571,316 | 880,508 | 902,483 | 765,363 | 663,780 | 576,370 |
| $ 38,297,880 | $ 41,753,601 | $ 45,168,434 | $ 48,434,646 | $ 50,774,245 | $ 54,901,140 |
| 4.0% | 4.0% | 4.0% | 4.0% | 4.0% | 4.0% |

TOWN OF CASTLE ROCK, COLORADO

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN YEARS
TABLE 13 (UNAUDITED)

| Fiscal Year | Town Direct Rate | Douglas County | State of Colorado |
|---|---|---|---|
| 2011 | 4.0% | 1.0% | 2.9% |
| 2012 | 4.0% | 1.0% | 2.9% |
| 2013 | 4.0% | 1.0% | 2.9% |
| 2014 | 4.0% | 1.0% | 2.9% |
| 2015 | 4.0% | 1.0% | 2.9% |
| 2016 | 4.0% | 1.0% | 2.9% |
| 2017 | 4.0% | 1.0% | 2.9% |
| 2018 | 4.0% | 1.0% | 2.9% |
| 2019 | 4.0% | 1.0% | 2.9% |
| 2020 | 4.0% | 1.0% | 2.9% |

**Source:** Colorado Department of Revenue

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TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL SALES TAX REMITTERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 14 (UNAUDITED)

| | 2020 | | | |
|---|---|---|---|---|
| **Remitter** | **Number of Filers** | **Percentage of Total** | **Tax Liability** | **Percentage of Total** |
| Food & General Merchandise | 95 | 2.16% | $ 16,126,637 | 29.37% |
| Misc Retail | 1,243 | 28.22% | 7,462,776 | 13.59% |
| Hotels, Restaurants & Bars | 238 | 5.40% | 6,048,091 | 11.02% |
| Apparel & Accessories | 163 | 3.70% | 5,824,649 | 10.61% |
| Home & Garden | 76 | 1.73% | 4,527,502 | 8.25% |
| Autos & Auto Items | 125 | 2.84% | 2,377,799 | 4.33% |
| Utilities | 3 | 0.07% | 2,186,038 | 3.98% |
| Agricultural and Construction | 178 | 4.04% | 1,803,726 | 3.29% |
| Audit Revenue | 1 | 0.02% | 1,759,921 | 3.21% |
| Furniture & Home Décor | 132 | 3.00% | 1,730,813 | 3.15% |
| Communications | - | 0.00% | - | 0.00% |
| Total top ten categories | 2,254 | 51.17% | $ 49,847,951 | 90.80% |
| All other categories | 2,151 | 48.83% | $ 5,053,189 | 9.20% |
| Total | 4,405 | 100.00% | $ 54,901,140 | 100.00% |

**Source:** Town of Castle Rock Sales Tax Department

| 2011 | | | |
|---|---|---|---|
| Number of Filers | Percentage of Total | Tax Liability | Percentage of Total |
| 78 | 2.41% | $ 8,257,628 | 30.36% |
| 727 | 22.43% | 2,591,034 | 9.53% |
| 163 | 5.03% | 3,053,783 | 11.23% |
| 159 | 4.91% | 5,004,730 | 18.40% |
| 95 | 2.93% | 1,762,161 | 6.48% |
| 104 | 3.21% | 1,231,105 | 4.53% |
| 4 | 0.12% | 1,830,558 | 6.73% |
| - | 0.00% | - | 0.00% |
| 1 | 0.03% | 314,205 | 1.16% |
| 109 | 3.36% | 485,242 | 1.78% |
| 181 | 5.58% | 1,197,043 | 4.40% |
| 1,621 | 50.02% | $ 25,727,489 | 94.60% |
| 1,620 | 49.98% | $ 1,469,465 | 5.40% |
| 3,241 | 100.00% | $ 27,196,954 | 100.00% |

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# Debt Capacity

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TOWN OF CASTLE ROCK, COLORADO

## RATIO OF OUTSTANDING DEBT BY TYPE
## LAST TEN YEARS
## TABLE 15 (UNAUDITED)

| | Governmental Activities | | | | Business-type Activities | |
|---|---|---|---|---|---|---|
| Year | Revenue Bonded Debt (1) | Certificates of Participation | Capital Leases | Notes Payable | Revenue Bonded Debt (1) | Certificates of Participation |
| 2011 | $ 13,359,418 | $ - | $ 630,201 | $ - | $ 27,026,017 | $ 70,755,000 |
| 2012 | 12,374,278 | - | 269,967 | - | 26,219,826 | 69,280,000 |
| 2013 | 33,883,784 | 9,245,000 | 220,087 | - | 24,465,179 | 67,730,000 |
| 2014 | 32,694,171 | 8,910,000 | 938,402 | - | 22,642,606 | 66,115,000 |
| 2015 | 31,464,558 | 8,570,000 | 625,602 | - | 21,886,625 | 64,425,000 |
| 2016 | 30,913,842 | 8,220,000 | 312,801 | 2,500,000 | 76,922,774 | - |
| 2017 | 30,193,577 | 7,865,000 | - | 2,375,000 | 72,601,088 | - |
| 2018 | 29,368,312 | 7,505,000 | - | 2,250,000 | 68,144,403 | - |
| 2019 | 28,038,047 | 7,130,000 | - | - | 63,562,717 | - |
| 2020 | 27,213,771 | 16,678,982 | - | - | 58,846,031 | - |

(1) Presented net of discounts and premiums
(2) Personal income is disclosed on Table 22
(3) US Census Bureau

| Capital Leases | Notes Payable | Total Government | Percentage of Personal Income (2) | Population (3) | Per Capita |
|---|---|---|---|---|---|
| $ 210,651 | $ - | $ 111,981,287 | 4.76% | 49,949 | $ 2,242 |
| 97,558 | - | 108,241,629 | 4.45% | 51,573 | 2,099 |
| 130,799 | - | 135,674,849 | 5.31% | 54,238 | 2,501 |
| 96,173 | - | 131,396,352 | 4.92% | 56,645 | 2,320 |
| 315,040 | - | 127,286,825 | 4.55% | 59,189 | 2,151 |
| 439,925 | - | 119,309,342 | 4.12% | 62,188 | 1,919 |
| 297,145 | - | 113,331,810 | 4.48% | 65,520 | 1,730 |
| 150,452 | - | 107,418,167 | 3.85% | 69,388 | 1,549 |
| 407,441 | 4,500,000 | 103,638,205 | 3.37% | 72,168 | 1,436 |
| 243,389 | 9,000,000 | 111,982,173 | 3.34% | 75,857 | 1,476 |

TOWN OF CASTLE ROCK, COLORADO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
TABLE 16 (UNAUDITED)

| Year | Population | Gross General Obligation Bonds | Net Bonded Debt | Percent of Assessed Property Tax Value | Per Capita |
|---|---|---|---|---|---|
| 2011 | 49,949 | $ - | $ - | 0% | $ - |
| 2012 | 51,573 | - | - | 0% | - |
| 2013 | 54,238 | - | - | 0% | - |
| 2014 | 56,645 | - | - | 0% | - |
| 2015 | 59,189 | - | - | 0% | - |
| 2016 | 62,188 | - | - | 0% | - |
| 2017 | 65,520 | - | - | 0% | - |
| 2018 | 69,338 | - | - | 0% | - |
| 2019 | 72,168 | - | - | 0% | - |
| 2020 | 75,857 | - | - | 0% | - |

**Source:** Town of Castle Rock Finance Department.

TOWN OF CASTLE ROCK, COLORADO

## DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
## AS OF DECEMBER 31, 2020
## TABLE 17 (UNAUDITED)

| | Assessed Valuation | Bonds Outstanding | Applicable Net Debt % | Applicable Net Debt Amount |
|---|---|---|---|---|
| **Governmental Entity** | | | | |
| **Overlapping Debt:** [1] | | | | |
| Douglas County School District Re-1 | $ 7,470,076,990 | $ 419,585,000 | 15.908% | $ 66,748,487 |
| Castle Oaks Metro District #1, 3, 4 | 57,698,360 | 49,375,000 | 100.000% | 49,375,000 |
| Castle Pines Commercial Metro #1, 3, 4 | 21,386,220 | 5,365,000 | 100.000% | 5,365,000 |
| Castleview Metro #2 | 924,910 | 3,693,000 | 100.000% | 3,693,000 |
| Castlewood Ranch Metro District | 42,292,430 | 15,180,000 | 100.000% | 15,180,000 |
| Crystal Crossing Metro District | 10,757,330 | 8,185,000 | 100.000% | 8,185,000 |
| Crystal Valley Metro District #2 | 69,953,320 | 56,110,000 | 100.000% | 56,110,000 |
| Maher Ranch Metro District #4 | 35,195,900 | 17,162,000 | 100.000% | 17,162,000 |
| Meadows Metro District #1, 2, 7 | 139,042,230 | 70,000,000 | 100.000% | 70,000,000 |
| Villages at Castle Rock Metro District #7 | 27,420,130 | 480,000 | 100.000% | 480,000 |
| Subtotal, overlapping debt | $ 7,874,747,820 | $ 645,135,000 | | $ 292,298,487 |
| **The Town of Castle Rock direct debt** [2] | | | | 44,096,490 |
| **Total direct and overlapping debt** | | | | $ 336,394,977 |

(1) This amount includes General Obligation Bonded Debt. The following entities also overlap the Town, but have no general obligation debt outstanding: Bella Mesa Metro, Castle Oaks Metro #2, Castle Pines Commercial Metro #2 and #5, Castle Rock Fire Protection, Castleton Center Water and Sanitation, Cedar Hill Cemetery, Cherry Creek Basin Water Quality Authority, Crystal Valley Metro #1, Dawson Ridge Metro #1-5, Douglas County, Douglas County Law Enforcement Authority, Douglas County Public Library, Founders Village Metro, Hillside at Castle Rock Metro, Lanterns Metro #1-5, Meadows Metro #3-6, Promenade at Castle Rock Metro #1-3, Silver Heights Water and Sanitation, Villages at Castle Rock Metro #4, #6 and #9, Westfield Metro #1-2

(2) The Town of Castle Rock does not have any General Obligation Bonded Debt. The total direct debt does not include accrued leave.

**Sources:** Douglas County Assesor's Office as reported by the Special Districts.
Douglas County Finance Department
The Town of Castle Rock

| | |
|---|---|
| Town of Castle Rock Assessed Valuation | 1,188,355,970 |

*Plum Creek Metro District dissolved in December 2015

TOWN OF CASTLE ROCK, COLORADO

## LEGAL DEBT MARGIN INFORMATION
## LAST TEN FISCAL YEARS
## TABLE 18 (UNAUDITED)

| | | | | |
|---|---|---|---|---|
| Estimated Actual Property Value: | | | | $ 11,905,218,264 |
| **Debt Limit:** | | | | |
| 3% of Estimated Actual Real Estate Value | | | | $ 357,156,548 |
| **Amount of Debt Applicable to Debt Limit:** | | | | |
| Gross debt | | | $ 111,982,173 | |
| Less: | Sales Tax Revenue Bonds | $ (27,213,771) | | |
| | Parks Capital COP's | (16,678,982) | | |
| | Lease Purchase Agreements | (243,389) | | |
| | Golf Course Revenue Bonds | (3,125,000) | | |
| | Water & Wastewater Revenue Bonds | (55,721,031) | | |
| | Notes Payable | (9,000,000) | | |
| | Total | | (111,982,173) | |
| Total Debt Applicable to Debt Limit | | | | - |
| Legal Debt Margin | | | | $ 357,156,548 |

| Year | Debt limit | Total net debt applicable to limit | Legal debt margin | Total net debt applicable to the limit as a percentage of debt limit |
|---|---|---|---|---|
| 2011 | $ 180,142,540 | $ - | $ 180,142,540 | 0% |
| 2012 | 184,176,313 | - | 184,176,313 | 0% |
| 2013 | 193,320,732 | - | 193,320,732 | 0% |
| 2014 | 165,591,590 | - | 165,591,590 | 0% |
| 2015 | 207,018,754 | - | 207,018,754 | 0% |
| 2016 | 216,610,314 | - | 216,610,314 | 0% |
| 2017 | 270,585,582 | - | 270,585,582 | 0% |
| 2018 | 283,830,140 | - | 283,830,140 | 0% |
| 2019 | 340,309,479 | - | 340,309,479 | 0% |
| 2020 | 357,156,548 | - | 357,156,548 | 0% |

**Sources:** Douglas County Assessor's Office
Town of Castle Rock Finance Department

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE
LAST TEN YEARS
TABLE 19 (UNAUDITED)

**Transportation Revenue Bonds**

| | | Annual Debt Service | | | | Maximum Annual Debt Service | |
|---|---|---|---|---|---|---|---|
| Year | Sales and Use Tax Revenues [1] | Principal | Interest | Total | Coverage Ratio [2] | Principal and Interest [3] | Coverage Ratio [2] |
| 2011 | $ 11,368,971 | $ 550,000 | $ 664,113 | $ 1,214,113 | 9.36 | $ 1,603,263 | 7.09 |
| 2012 | 12,894,363 | 965,000 | 633,550 | 1,598,550 | 8.07 | 1,603,263 | 8.04 |
| 2013 | 14,436,450 | 1,000,000 | 1,237,454 | 2,237,454 | 6.45 | 2,475,051 | 5.83 |
| 2014 | 15,178,290 | 1,050,000 | 1,424,400 | 2,474,400 | 6.13 | 2,475,051 | 6.13 |
| 2015 | 16,480,927 | 1,090,000 | 1,381,363 | 2,471,363 | 6.67 | 2,475,051 | 6.66 |
| 2016 | 18,524,010 | 1,140,000 | 1,223,366 | 2,363,366 | 7.84 | 2,257,375 | 8.21 |
| 2017 | 19,750,910 | 485,000 | 1,164,850 | 1,649,850 | 11.97 | 2,257,375 | 8.75 |
| 2018 | 21,515,986 | 590,000 | 1,156,538 | 1,746,538 | 12.32 | 2,257,375 | 9.53 |
| 2019 | 22,306,142 | 1,095,000 | 1,137,938 | 2,232,938 | 9.99 | 2,257,375 | 9.88 |
| 2020 | 23,209,405 | 1,145,000 | 992,793 | 2,137,793 | 10.86 | 2,257,375 | 10.28 |

(1) Pledged sales and use tax revenue collected at a rate of 1.35%.
(2) Coverage ratio equals net pledged revenue divided by total bond principal and interest.
(3) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Bonds.

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE (CONTINUED)
LAST TEN YEARS
TABLE 20 (UNAUDITED)

**Water and Wastewater Fund Revenue Bonds and Notes**

| Year | Gross Resources [1] | Expenses [2] | Net Pledged Revenue [3] | Annual Debt Service | | | | Max Annual Debt Service | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Principal | Interest | Total | Coverage Ratio [5] | Principal and Interest [4] | Coverage Ratio [5] |
| 2011 | $ 22,194,524 | $ 14,616,968 | $ 7,577,556 | $ 1,245,000 | $ 932,902 | $ 2,177,902 | 3.48 | $ 2,197,511 | 3.45 |
| 2012 | 23,818,959 | 15,267,864 | 8,551,095 | 1,295,000 | 847,760 | 2,142,760 | 3.99 | 2,197,511 | 3.89 |
| 2013 | 25,121,449 | 16,159,510 | 8,961,939 | 1,360,000 | 740,067 | 2,100,067 | 4.27 | 2,115,175 | 4.24 |
| 2014 | 23,720,192 | 16,183,854 | 7,536,338 | 1,415,000 | 686,587 | 2,101,587 | 3.59 | 2,115,175 | 3.56 |
| 2015 | 30,545,872 | 16,060,202 | 14,485,670 | 1,490,000 | 590,274 | 2,080,274 | 6.96 | 2,087,125 | 6.94 |
| 2016 | 51,193,244 | 18,073,847 | 33,119,397 | 4,460,000 | 1,417,194 | 5,877,194 | 5.64 | 5,866,200 | 5.65 |
| 2017 | 58,840,495 | 21,551,190 | 37,289,305 | 3,270,000 | 2,459,971 | 5,729,971 | 6.51 | 5,866,200 | 6.36 |
| 2018 | 63,781,051 | 35,614,879 | 28,166,172 | 3,395,000 | 2,357,383 | 5,752,383 | 4.90 | 5,866,200 | 4.80 |
| 2019 | 69,724,334 | 42,809,302 | 26,915,032 | 3,510,000 | 2,269,536 | 5,779,536 | 4.66 | 5,866,200 | 4.59 |
| 2020 | 72,397,608 | 27,925,784 | 44,471,824 | 3,630,000 | 2,154,083 | 5,784,083 | 7.69 | 5,866,200 | 7.58 |

(1) Gross resources include all operating revenues, system development fees and investment earnings. Prior to the issuance of the 2016 Bonds, the definition of Gross resources specifically excluded the Water Resource Fee and Renewable Water rates and charges imposed pursuant to the Municipal Code. However those revenues are pledged to the 2016 Bonds. The Bond Ordinance specifically extends the pledge of those revenues to the Prior Bonds.

(2) This figure includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, interest paid on outstanding bonds and gains or losses from sale of capital assets.

(3) Net pledged revenue equals gross resources minus expenses.

(4) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Revenue Bonds and Notes.

(5) Coverage ratio equals net pledged revenue divided by the total principal and interest.

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE (CONTINUED)
LAST TEN YEARS
TABLE 21 (UNAUDITED)

**Golf Fund Revenue Bonds**

| Year | Gross Resources [1] | Expenses [2] | Net Pledged Revenue [3] | Annual Debt Service | | | | Max Annual Debt Service | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | Principal | Interest | Total | Coverage Ratio [4] | Principal and Interest [5] | Coverage Ratio [6] |
| 2011 | $ 2,577,711 | $ 1,756,922 | $ 820,789 | $ 270,000 | $ 275,270 | $ 545,270 | 1.51 | $ 546,465 | 1.50 |
| 2012 | 2,733,776 | 1,913,697 | 820,079 | 280,000 | 264,408 | 544,408 | 1.51 | 546,465 | 1.50 |
| 2013 | 2,759,049 | 1,933,739 | 825,310 | 290,000 | 252,793 | 542,793 | 1.52 | 546,465 | 1.51 |
| 2014 | 2,856,262 | 2,033,178 | 823,084 | 305,000 | 240,351 | 545,351 | 1.51 | 546,465 | 1.51 |
| 2015 | 2,868,145 | 2,185,373 | 682,772 | 405,000 | 127,033 | 532,033 | 1.28 | 500,815 | 1.36 |
| 2016 | 3,063,507 | 2,340,670 | 722,837 | 355,000 | 142,297 | 497,297 | 1.45 | 500,815 | 1.44 |
| 2017 | 3,153,148 | 2,437,308 | 715,840 | 365,000 | 132,120 | 497,120 | 1.44 | 500,815 | 1.43 |
| 2018 | 3,224,390 | 2,440,456 | 783,934 | 375,000 | 121,657 | 496,657 | 1.58 | 500,815 | 1.57 |
| 2019 | 3,287,340 | 2,587,352 | 699,988 | 385,000 | 110,909 | 495,909 | 1.41 | 500,815 | 1.40 |
| 2020 | 3,721,212 | 2,685,504 | 1,035,708 | 400,000 | 99,862 | 499,862 | 2.07 | 500,815 | 2.07 |

(1) Gross resources include all operating revenues, investment earnings and transfers in.
(2) Expenses include all operating expenses less depreciation and amortization.
(3) Net pledged revenue equals gross resources minus expenses.
(4) Coverage ratio equals net pledged revenue divided by total bond principal and interest.
(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Revenue Bonds and Notes.
(6) Coverage ratio equals net pledged revenue divided by the total principal and interest.

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# Demographic and Economic Information

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TOWN OF CASTLE ROCK, COLORADO

## DEMOGRAPHIC INFORMATION AND ECONOMIC STATISTICS
## LAST TEN YEARS
## TABLE 22 (UNAUDITED)

| Year | Estimated Population | | Personal Income [2] (Thousands of Dollars) | | Per Capita Income | | Median Age | |
|---|---|---|---|---|---|---|---|---|
| 2011 | 49,949 | (1) | $ 20,801,664 | | $ 47,147 | (5) | 33.8 | (5) |
| 2012 | 51,573 | (1) | 21,737,873 | | 47,147 | (5) | 33.8 | (5) |
| 2013 | 54,238 | (1) | 22,858,414 | | 47,147 | (5) | 33.8 | (5) |
| 2014 | 56,645 | (1) | 23,175,877 | | 47,147 | (5) | 33.8 | (5) |
| 2015 | 59,189 | (1) | 19,136,533 | | 47,255 | (1) | 35.0 | (1) |
| 2016 | 62,188 | (1) | 21,277,108 | | 46,534 | (1) | 34.8 | (1) |
| 2017 | 65,520 | (6) | 22,063,919 | | 38,610 | (1) | 34.6 | (1) |
| 2018 | 69,338 | (6) | 23,875,828 | | 40,236 | (1) | 34.8 | (1) |
| 2019 | 72,168 | (6) | 25,249,718 | | 42,611 | (1) | 35.2 | (1) |
| 2020 | 75,857 | (6) | 27,549,902 | | 44,250 | (1) | 35.8 | (1) |

**Sources:**

(1) US Census Bureau
(2) U. S. Bureau of Economic Analysis. Information is for Douglas County
(3) Colorado Department of Labor. Information is for Douglas County
(4) Douglas County School District
(5) US Census Bureau - 2010 Census
(6) Town of Castle Rock Development Services Department

| Average Household Size | | Unemployment Rate [3] | Public School Enrollment [4] |
|---|---|---|---|
| 2.86 | (5) | 6.0% | 12,686 |
| 2.86 | (5) | 5.8% | 13,013 |
| 2.85 | (1) | 4.7% | 13,265 |
| 2.85 | (1) | 3.2% | 13,808 |
| 2.89 | (1) | 3.1% | 13,714 |
| 2.76 | (1) | 2.7% | 13,693 |
| 2.84 | (1) | 2.4% | 14,174 |
| 2.92 | (1) | 2.4% | 14,405 |
| 2.88 | (1) | 2.9% | 13,833 |
| 2.89 | (1) | 2.4% | 12,745 |

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 23 (UNAUDITED)

| | 2020 | | |
|---|---|---|---|
| Company | Number of FTEs* | Rank | Percentage of Total Town Employment |
| Douglas County | 1500-2000 | 1 | 10% |
| Douglas County School District | 1000-1500 | 2 | 8% |
| Town of Castle Rock | 501-750 | 3 | 4% |
| Castle Rock Adventist Hospital | 501-750 | 4 | 4% |
| Wal-Mart | 251-500 | 5 | 3% |
| Castle Rock Homes / Keller Williams | 400 | 6 | 2% |
| Elite Surface Infrastructure | 251-350 | 7 | 2% |
| Kohl's | 101-250 | 8 | 1% |
| Brookside Inn | 101-250 | 9 | 1% |
| Sam's Club | 101-250 | 10 | 1% |
| Kroger / King Soopers | 101-250 | n/a | - |
| Medved Autoplex | 101-250 | n/a | - |
| Philip S. Miller Library | 101-250 | n/a | - |
| Lowe's | 101-250 | n/a | - |
| Home Depot | 101-250 | n/a | - |

* Full time employee equivalents that work in the Castle Rock area.

**Source:** Castle Rock Economic Development Council (Castle Rock EDC)

| 2011 | | |
|---|---|---|
| Number of FTEs* | Rank | Percentage of Total Town Employment |
| 1000-1500 | 2 | 11% |
| 1000-1500 | 1 | 11% |
| 251-500 | 3 | 4% |
| n/a | n/a | - |
| 251-500 | 4 | 4% |
| n/a | n/a | - |
| n/a | n/a | - |
| n/a | n/a | - |
| 101-250 | 6 | 2% |
| n/a | n/a | - |
| 101-250 | 5 | 2% |
| 101-250 | 7 | 2% |
| 101-250 | 8 | 2% |
| 101-250 | 9 | 2% |
| 101-250 | 10 | 2% |

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 24 (UNAUDITED)

| | | 2020 | | |
|---|---|---|---|---|
| **Taxpayer** | **Type of Business** | **Rank** | **Taxable Assessed Valuation** | **% of Town Taxable Assessed Valuation** |
| ***Utilities*** | | | | |
| Public Service Co of Colorado (XCEL) | Telecommunications | 1 | $ 74,786,500 | 6.29% |
| Intermountain Rural Electric Assoc | Electric | 2 | 73,702,510 | 6.20% |
| QWEST Corporation / Centurylink Communications | Telecommunications | 3 | 38,745,600 | 3.26% |
| Burlington Northern Santa Fe Railway Company | Railroad | 4 | 13,362,810 | 1.12% |
| Union Pacific Corp. | Railroad | 5 | 10,695,300 | 0.90% |
| Black Hills Colorado Gas Inc | Gas | 7 | 5,999,100 | 0.50% |
| AT&T Mobility LLC | Telecommunications | 9 | 5,463,460 | 0.46% |
| Cellco Partnership | Telecommunications | 10 | 4,828,700 | 0.41% |
| Comcast of Colorado X LLC | Telecommunications | n/a | - | 0.00% |
| Verizon Wireless (VAW) LLC | Telecommunications | n/a | - | 0.00% |
| TOTAL UTILITIES | | | $ 227,583,980 | 19.15% |
| ***Non-Utility*** | | | | |
| Dillon Companies Inc | Commercial | 6 | $ 9,408,590 | 0.79% |
| Craig Realty Group Castle Rock, LLC | Commercial | 8 | 6,435,600 | 0.54% |
| Castle Rock Development Company | Commercial | n/a | - | 0.00% |
| TOTAL NON-UTILITY | | | $ 15,844,190 | 1.33% |
| Other Taxpayers | | | $ 944,927,800 | 80% |
| **Assessed Valuation** | | | $ 1,188,355,970 | 100% |

Source: Douglas County Treasurer's Office

| | 2011 | |
|---|---|---|
| Rank | Taxable Assessed Valuation | % of Town Taxable Assessed Valuation |
| 3 | $ 40,741,200 | 7.02% |
| 2 | 43,139,000 | 7.43% |
| 1 | 46,968,800 | 8.09% |
| 6 | 6,918,300 | 1.19% |
| 7 | 5,831,400 | 1.00% |
| n/a | - | 0.00% |
| 8 | 5,281,510 | 0.91% |
| n/a | - | 0.00% |
| 10 | 4,676,250 | 0.81% |
| 5 | 7,173,300 | 1.24% |
| | $ 160,729,760 | 27.68% |
| n/a | $ - | 0.00% |
| 4 | 18,898,990 | 3.25% |
| 9 | 5,237,470 | 0.90% |
| | $ 24,136,460 | 4.16% |
| | $ 395,789,920 | 68.16% |
| | $ 580,656,140 | 100.00% |

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# Operating Information

TOWN OF CASTLE ROCK, COLORADO

## FULL-TIME EQUIVALENT TOWN EMPLOYEES BY FUNCTION/PROGRAM
## LAST TEN YEARS
## TABLE 25 (UNAUDITED)

| | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|---|---|---|---|
| **Function/Program** | | | | | | | | | | |
| General government | 61 | 64 | 67 | 70 | 81 | 78 | 97 | 90 | 96 | 96 |
| Public safety | 145 | 141 | 161 | 161 | 163 | 174 | 189 | 205 | 219 | 223 |
| Public works | 41 | 39 | 40 | 38 | 40 | 38 | 47 | 54 | 63 | 56 |
| Cultural and recreation | 20 | 20 | 21 | 21 | 21 | 25 | 28 | 30 | 30 | 29 |
| Water | 41 | 41 | 47 | 47 | 55 | 59 | 67 | 66 | 75 | 80 |
| Water resources | 2 | 2 | 2 | 3 | 3 | 4 | 6 | 8 | 7 | 7 |
| Wastewater | 7 | 5 | 5 | 4 | 4 | 3 | 4 | 5 | 8 | 7 |
| Stormwater | 6 | 4 | 5 | 8 | 8 | 10 | 11 | 11 | 10 | 10 |
| Golf | 6 | 6 | 6 | 6 | 8 | 8 | 12 | 10 | 11 | 10 |
| Community center | 16 | 16 | 15 | 16 | 16 | 17 | 20 | 26 | 22 | 21 |
| Development services | 13 | 9 | 23 | 28 | 32 | 41 | 49 | 54 | 49 | 54 |
| Total | 358 | 347 | 392 | 402 | 431 | 454 | 530 | 558 | 590 | 593 |

**Source:** Town of Castle Rock Finance Department

TOWN OF CASTLE ROCK, COLORADO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 26 (UNAUDITED)

| Function/Program | 2011 | 2012 | 2013 |
|---|---|---|---|
| **Governmental activities:** | | | |
| General government | | | |
| Number of payroll checks issued | 14,746 | 15,167 | 16,012 |
| Number of new employees hired | 28 | 30 | 73 |
| Number of resolutions passed | 84 | 82 | 86 |
| Number of ordinances passed | 35 | 31 | 40 |
| Public safety | | | |
| Number of arrests | 1,177 | 380 | 1,248 |
| Number of police calls | 52,267 | 56,266 | 64,116 |
| Number of fire calls | 62 | 77 | 75 |
| Number of medical calls | 2,303 | 2,539 | 2,651 |
| Public works | | | |
| Number of snow removal hours | 5,558 | 3,442 | 5,016 |
| Culture and recreation | | | |
| Number of golf rounds | 31,987 | 36,201 | 33,811 |
| Recreation center attendance | 260,397 | 290,772 | 304,343 |
| **Business-type activities:** | | | |
| Water | | | |
| Number of customer accounts | 15,702 | 16,520 | 17,391 |
| Average daily consumption - million gallons | 5.85 | 6.56 | 6.14 |
| Development Services | | | |
| Number of new construction permits issued | 331 | 539 | 847 |
| Number of remodel permits issued | 1,964 | 5,200 | 3,414 |

(1) Includes attendance for new Miller Activity Complex.

**Sources:** Town of Castle Rock Finance, Town Clerk, Police, Fire, Public Works, and Utilities Departments

| 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|---|
| 17,889 | 18,816 | 20,231 | 21,201 | 22,176 | 23,665 | 20,876 |
| 44 | 65 | 70 | 69 | 72 | 66 | 70 |
| 110 | 112 | 114 | 105 | 105 | 133 | 125 |
| 37 | 60 | 42 | 30 | 43 | 42 | 24 |
| 1,891 | 1,271 | 1,358 | 1,657 | 1,561 | 1,391 | 1,042 |
| 71,062 | 73,827 | 73,290 | 71,690 | 69,411 | 69,234 | 63,753 |
| 56 | 61 | 78 | 89 | 100 | 75 | 98 |
| 2,812 | 3,199 | 3,204 | 3,529 | 3,418 | 3,672 | 3,370 |
| 8,102 | 7,703 | 4,597 | 3,364 | 2,060 | 7,728 | 4,706 |
| 35,053 | 35,086 | 39,926 | 40,002 | 40,756 | 38,837 | 43,350 |
| 311,209 | 318,989 | 435,810 (1) | 395,595 | 374,555 | 316,473 | 218,136 |
| 18,132 | 18,961 | 19,430 | 20,662 | 21,878 | 21,189 | 23,989 |
| 6.06 | 6.49 | 7.11 | 7.27 | 7.88 | 7.78 | 8.85 |
| 828 | 928 | 1,212 | 1,031 | 1,785 | 1,043 | 1,234 |
| 2,820 | 2,907 | 6,954 | 2,706 | 2,260 | 3,887 | 3,889 |

TOWN OF CASTLE ROCK, COLORADO

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 27 (UNAUDITED)

| Function/Program | 2011 | 2012 | 2013 | 2014 |
|---|---|---|---|---|
| **Governmental activities:** | | | | |
| General government | | | | |
| Number of Town-owned facilities | 10 | 10 | 10 | 11 |
| Public safety | | | | |
| Number of police stations | 1 | 1 | 1 | 1 |
| Number of vehicular patrol units | 24 | 26 | 34 | 34 |
| Number of fire stations | 4 | 4 | 4 | 4 |
| Public works | | | | |
| Miles of streets | 550 | 550 | 564 | 604 |
| Number of traffic signals | 28 | 31 | 31 | 31 |
| Number of street lighting fixtures | 470 | 470 | 521 | 521 |
| Culture and recreation | | | | |
| Acres of developed parks | 265 | 276 | 276 | 316 |
| Acres of open space | 2,645 | 2,732 | 2,732 | 2,728 |
| Number of pools | 3 | 3 | 3 | 4 |
| Golf courses | 1 | 1 | 1 | 1 |
| Number of tennis courts | 14 | 11 | 7 | 7 |
| Number of ball fields | 22 | 22 | 24 | 24 |
| **Business-type activities:** | | | | |
| Water | | | | |
| Miles of water mains | 368 | 366 | 382 | 385 |
| Sanitary sewer and storm: | | | | |
| Miles of sewer lines | 254 | 256 | 261 | 263 |
| Miles of storm sewers | 135 | 142 | 142 | 142 |

**Sources:** Town of Castle Rock Finance, Police, Fire, Public Works, and Castle Rock Water Departments

| 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |
|---|---|---|---|---|---|
| 11 | 11 | 11 | 13 | 16 | 17 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 34 | 37 | 39 | 40 | 45 | 47 |
| 4 | 4 | 4 | 5 | 5 | 5 |
| 619 | 646 | 667 | 689 | 695 | 711 |
| 31 | 36 | 38 | 42 | 43 | 44 |
| 521 | 630 | 639 | 668 | 876 | 876 |
| 533 | 585 | 606 | 611 | 612 | 619 |
| 2,778 | 2,877 | 2,931 | 2,925 | 3,040 | 2,934 |
| 4 | 4 | 4 | 4 | 4 | 4 |
| 1 | 1 | 1 | 1 | 1 | 1 |
| 7 | 7 | 7 | 12 | 12 | 10 |
| 24 | 24 | 24 | 20 | 20 | 22 |
| 390 | 393 | 401 | 420 | 455 | 470 |
| 270 | 271 | 275 | 288 | 303 | 309 |
| 143 | 143 | 149 | 157 | 170 | 179 |

TOWN OF CASTLE ROCK, COLORADO

# MISCELLANEOUS STATISTICS
# AS OF DECEMBER 31, 2020
# TABLE 28 (UNAUDITED)

| | |
|---|---|
| Date of incorporation | 1881 |
| Home rule charter adopted | 1987 |
| Form of government | Council - Manager |
| Area - Square miles | 34.74 |
| Population (estimate) | 75,857 |
| | |
| Fire Protection | |
| Number of stations | 5 |
| Number of paid firefighters | 93 |
| Number of volunteer firefighters | 5 |
| | |
| Police Protection | |
| Number of stations | 1 |
| Number of commissioned officers | 80 |
| Number of reserve officers | 0 |
| | |
| Education - Douglas County School District | |
| Number of students (Castle Rock schools) | 12,745 |
| Number of charter schools | 3 |
| Number of magnet schools | 1 |
| Number of elementary schools | 9 |
| Number of middle schools | 2 |
| Number of high schools | 4 |
| | |
| Building permits issued (includes new construction and remodel) | 5,123 |
| Building permits value | $60,876,118 |
| | |
| Employees: (excluding Police and Fire) | |
| Full-time | 362 |
| Part-time | 525 |

**Sources:** Town of Castle Rock Finance, Police, Fire, Development Services, Douglas County School District and US Census Bureau.

# COMPLIANCE SECTION

Local Highway Finance Report

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



| LOCAL HIGHWAY FINANCE REPORT | City or County: |
|---|---|
| | YEAR ENDING : December 2020 |
| This Information From The Records Of (example - City of _ or County of | Prepared By: Phone: |

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

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

## II. RECEIPTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Receipts from local sources:** | |
| 1. Local highway-user taxes | |
| a. Motor Fuel (from Item I.A.5.) | |
| b. Motor Vehicle (from Item I.B.5.) | |
| c. Total (a.+b.) | |
| 2. General fund appropriations | 213,300 |
| 3. Other local imposts (from page 2) | 39,367,864 |
| 4. Miscellaneous local receipts (from page 2) | 19,157,740 |
| 5. Transfers from toll facilities | |
| 6. Proceeds of sale of bonds and notes: | |
| a. Bonds - Original Issues | |
| b. Bonds - Refunding Issues | |
| c. Notes | |
| d. Total (a. + b. + c.) | 0 |
| 7. Total (1 through 6) | 58,738,904 |
| **B. Private Contributions** | |
| **C. Receipts from State government** (from page 2) | 2,513,469 |
| **D. Receipts from Federal Government** (from page 2) | 152,457 |
| **E. Total receipts (A.7 + B + C + D)** | 61,404,830 |

## III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

| ITEM | AMOUNT |
|---|---|
| **A. Local highway disbursements:** | |
| 1. Capital outlay (from page 2) | 15,171,378 |
| 2. Maintenance: | |
| 3. Road and street services: | |
| a. Traffic control operations | 3,155,283 |
| b. Snow and ice removal | |
| c. Other | 28,636,726 |
| d. Total (a. through c.) | 31,792,009 |
| 4. General administration & miscellaneous | 370,141 |
| 5. Highway law enforcement and safety | 213,300 |
| 6. Total (1 through 5) | 47,546,828 |
| **B. Debt service on local obligations:** | |
| 1. Bonds: | |
| a. Interest | 993,393 |
| b. Redemption | 1,145,000 |
| c. Total (a. + b.) | 2,138,393 |
| 2. Notes: | |
| a. Interest | |
| b. Redemption | |
| c. Total (a. + b.) | 0 |
| 3. Total (1.c + 2.c) | 2,138,393 |
| **C. Payments to State for highways** | |
| **D. Payments to toll facilities** | |
| **E. Total disbursements (A.6 + B.3 + C + D)** | 49,685,221 |

## IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

| | Opening Debt | Amount Issued | Redemptions | Closing Debt |
|---|---|---|---|---|
| **A. Bonds (Total)** | 25,235,000 | 18,550,000 | 17,570,000 | 26,215,000 |
| 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 |
|---|---|---|---|---|
| 19,915,125 | 61,404,830 | 49,685,221 | 31,634,734 | 0 |

**Notes and Comments:**

| LOCAL HIGHWAY FINANCE REPORT | STATE: Colorado |
|---|---|
| | YEAR ENDING (mm/yy): December 2020 |

## 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 | 416,441 |
| b. Other local imposts: | | b. Traffic Fines & Penalities | |
| 1. Sales Taxes | 24,425,178 | c. Parking Garage Fees | |
| 2. Infrastructure & Impact Fees | 12,479,450 | d. Parking Meter Fees | |
| 3. Liens | | e. Sale of Surplus Property | |
| 4. Licenses | | f. Charges for Services | |
| 5. Specific Ownership &/or Other | 2,463,236 | g. Other Misc. Receipts | |
| 6. Total (1. through 5.) | 39,367,864 | h. Other | 18,741,299 |
| c. Total (a. + b.) | 39,367,864 | i. Total (a. through h.) | 19,157,740 |
| | (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 | 1,883,556 | 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 | | d. Federal Transit Admin | |
| d. Other (Specify) - DOLA Grant | | e. U.S. Corps of Engineers | |
| e. Other (Specify)-CDOT GRANTS | 629,913 | f. Other Federal | 152,457 |
| f. Total (a. through e.) | 629,913 | g. Total (a. through f.) | 152,457 |
| 4. Total (1. + 2. + 3.f) | 2,513,469 | 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 | 0 | 0 |
| b. Engineering Costs | 744,707 | 7,955,672 | 8,700,379 |
| c. Construction: | | | |
| (1). New Facilities | | 165,201 | 165,201 |
| (2). Capacity Improvements | 655,458 | 13,514 | 668,972 |
| (3). System Preservation | | 4,648,246 | 4,648,246 |
| (4). System Enhancement & Operation | | 988,581 | 988,581 |
| (5). Total Construction (1) + (2) + (3) + (4) | 655,458 | 5,815,541 | 6,470,999 |
| d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5) | 1,400,165 | 13,771,213 | 15,171,378 |
| | | | (Carry forward to page 1) |

**Notes and Comments:**

**FORM FHWA-536 (Rev.1-05)** PREVIOUS EDITIONS OBSOLETE




Town of Castle Rock
Finance Department
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Castle Rock, Colorado 80104

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