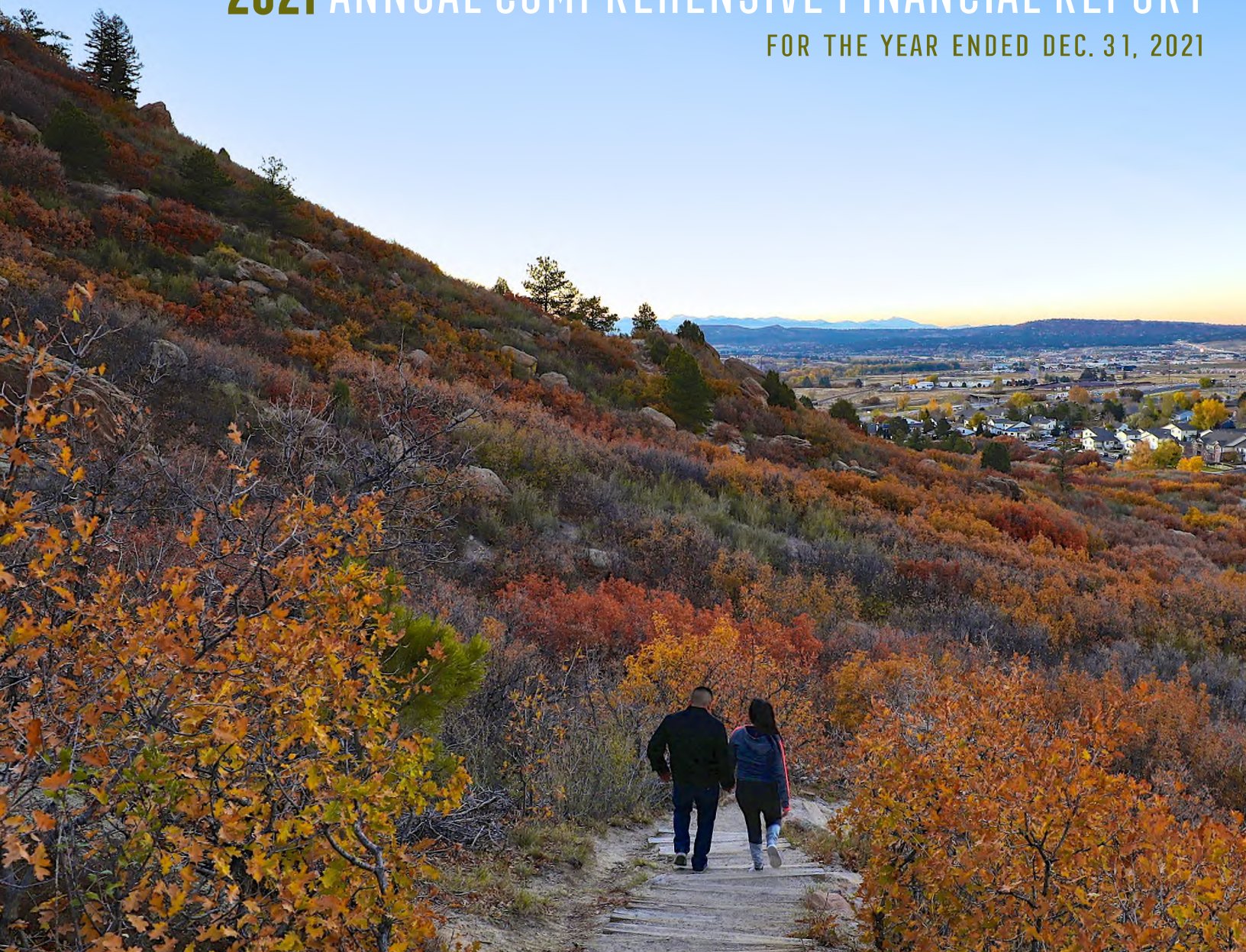




2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE YEAR ENDED DEC. 31, 2021



Excellence ♦ Dedication ♦ Service



CRGOV.COM/FINANCIALREPORTS



@CRgov



This page left blank intentionally



2021 Annual Comprehensive Financial Report
For the Year Ended December 31, 2021

Prepared by the Finance Department



Finance Department

Trish Muller, CPA
Michelle Schrote, CPA
Pete Mangers
Michael Tempel
Sara Ruby

Accounting Staff

Kimberly Kraft
Katie Baker
Christina LeBlanc
Bethany Dickerman
Henrietta Feury
Madison Walter
Amber Hulla
Amanda Schooley

Finance Staff

Alex Thiel
Karlee Suhanyi
Melissa Everett

Sales Tax Administration

Jamie Authier
Steven Campbell
Ricci Buckingham
Sara Kucewesky
Alexandra Miller
Sabrina Smith
Lynda Halterman

Finance Director
Assistant Finance Director – Accounting & Operations
Assistant Finance Director – Budget & Revenue
Financial Analytics and Payroll Manager
Administrative Assistant

Accountant
Accountant
Finance Transaction Services Supervisor
Accounting Technician
Accounts Payable Technician
Accounts Payable Technician
Payroll Technician
Payroll Technician

Sr. Financial Analyst
Financial Analyst
Financial Analyst

Revenue Manager
Sales Tax Auditor
Sales Tax Auditor
Building Use Tax Auditor
Sales Tax/PIF Specialist
Sales Tax/PIF Specialist
Senior Customer Service Representative

For questions regarding this report, please contact:

Town of Castle Rock, Colorado
Finance Department
100 North Wilcox Street
Castle Rock, Colorado 80104
Phone: 303-660-1015
E-mail: tmuller@crgov.com

**TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

**Page
Number**

INTRODUCTORY SECTION (Not subject to auditing procedures)

Letter of Transmittal	i
Organizational Chart	v
Directory of Town Officials	vi
Certificate of Achievement for Excellence in Financial Reporting	vii

FINANCIAL SECTION

Independent Auditors' Report	1
Management's Discussion and Analysis	5

Basic Financial Statements

Town-wide Financial Statements

Statement of Net Position	17
Statement of Activities	19

Fund Financial Statements

Governmental Funds

Balance Sheet	22
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	23
Statement of Revenues, Expenditures, and Changes in Fund Balances	24
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	25

Proprietary Funds

Statement of Net Position	26
Reconciliation of the Proprietary Funds Statement of Net Position to the Statement of Net Position	28
Statement of Revenues, Expenses and Changes in Fund Net Position	30
Reconciliation of the Enterprise Funds Statement of Revenues, Expenses and Changes in Fund Net Position to the Statement of Activities	32
Statement of Cash Flows	34

Fiduciary Funds

Statement of Fiduciary Net Position	39
Statement of Changes in Fiduciary Net Position	40

Component Units

Statement of Net Position	42
Statement of Activities	43

Notes to the Basic Financial Statements

44

**TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Supplementary Information

Required Supplementary Information (Not subject to auditing procedures)

Volunteer Firefighters' Pension Plan Schedule of Changes in Net Pension Liability/ (Asset) and Related Ratios	95
Volunteer Firefighters' Pension Plan Schedule of Contributions	97
Statewide Defined Benefit Pension Plan Schedule of Contributions – Fire	99
Statewide Defined Benefit Pension Plan Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) – Fire	101
Statewide Defined Benefit Pension Plan Schedule of Contributions – Police	103
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	
General Fund	105
Transportation	108
Note to Required Supplementary Information	109

Supplemental Information

Combining and Individual Fund Statements and Schedules

General Fund	
Combining Balance Sheet	110
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances	111
Non-major Governmental Funds	
Combining Balance Sheet	112
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	113
Non-major Special Revenue Funds	
Combining Balance Sheet	115
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	117
Conservation Trust Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	119
Philip S. Miller Trust Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	120
Public Art Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	121
Police Forfeiture Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	122
Downtown Development Authority TIF Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	123
Castle Rock Urban Renewal Authority Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	124

**TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Supplementary Information (continued)

Major Capital Projects Fund	
Transportation Capital Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	126
Non-major Capital Projects Funds	
Combining Balance Sheet	127
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	128
Parks and Recreation Capital Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	129
Municipal Facilities Capital Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	130
Fire Capital Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	131
Police Capital Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	132
General Long-Term Planning Fund	
Schedule of Revenues, Expenditures, and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	133
Enterprise Funds Budgetary Schedules	
Water Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	135
Water Resources Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	136
Stormwater Fund	
Schedule of Revenues, Expenditures, and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	137
Wastewater Fund	
Schedule of Revenues, Expenditures, and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	138
Non-major Proprietary Funds	
Combining Balance Sheet	139
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	140
Combining Statement of Cash Flows	141
Golf Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available	
Budget and Actual (Non-GAAP Budgetary Basis)	144

**TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

Supplementary Information (continued)

Community Center Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	145
Development Services Fund	
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	146
Internal Service Funds	
Combining Statement of Net Position	147
Combining Statement of Revenues, Expenses and Changes in Net Position	148
Combining Statement of Cash Flows	149
Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis)	
Employee Benefits Fund	150
Fleet Services Fund	151
Fiduciary Funds	
Combining Statement of Net Position – Custodial Funds	153
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	154

STATISTICAL SECTION (Not subject to auditing procedures)

<i>Financial Trends</i>	
Town-wide Net Position by Component	156
Town-wide Changes in Net Position	158
Program Revenues by Function	162
Fund Balances, Governmental Funds	164
Changes in Fund Balances, Governmental Funds	166
<i>Revenue Capacity</i>	
Tax Revenue by Source, Governmental Funds	168
Town-wide Expenses by Activity and Function	169
Governmental Expenditures by Function	171
Property Tax Levies and Collections	173
Assessed Value and Actual Value of Taxable Property	175
Property Tax Rates, Direct and Overlapping Governments	177
Taxable Sales by Category	179
Direct and Overlapping Sales Tax Rates	181
Principal Sales Tax Remitters	183
<i>Debt Capacity</i>	
Ratio of Outstanding Debt by Type	186
Ratio of General Bonded Debt to Assessed Value and Bonded Debt per Capita	188
Computation of Direct and Overlapping Bonded Debt General Obligation Bonds	189
Legal Debt Margin Information	190
Pledged Revenue Coverage	191
<i>Demographic and Economic Information</i>	
Demographic Information and Economic Statistics	195
Principal Employers	197
Principal Property Taxpayers	199

**TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2021**

STATISTICAL SECTION (Not subject to auditing procedures) - continued

Operating Information

Full-Time Equivalent Town Employees by Function/Program	201
Operating Indicators by Function/Program	202
Capital Assets Statistics by Function/Program	204
Miscellaneous Statistics	206

COMPLIANCE SECTION (Subject to auditing procedures)

Local Highway Finance Report	207
------------------------------	-----



INTRODUCTORY SECTION

Letter of Transmittal

Organizational Chart

Directory of Town Officials

Certificate of Achievement for Excellence in Financial Reporting



June 28, 2022

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 Annual Comprehensive Financial Report of the Town for the year ended December 31, 2021.

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.

FORVIS, LLP has issued unmodified opinions 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 Annual Comprehensive 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 80,379 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 68% 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 three 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 1,707 new residential units (single family 1,169 and multi-family 538) and approved 80,083 square feet of nonresidential development in 2021. 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. In November 2021, the voters approved a 10-year "TABOR timeout," which allows the Town to use excess revenues from 2021 through 2030 solely for police, fire protection, emergency medical services, roads and other transportation purposes. 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

The Town continued to experience growth during 2021. Total revenue collected for all Town Funds combined exceeded budgeted projections and no individual fund exceeded budgeted appropriations for the year. Sales tax revenue increased approximately 16 percent from 2020.

In 2021, the Town performed an alternative revenue analysis and placed four questions on the November 2021 ballot, two of which passed and will contribute to the Town's long-term financial sustainability. In addition to the 10-year "TABOR timeout" approved on the November ballot, voters approved a 6% sales tax on lodging beginning January 1, 2022 as an additional funding source for Parks and Recreation.

The Town of Castle Rock was recognized by Safewise as one of the safest cities in Colorado. The Town adopted a Fire and Rescue master plan for 2021-2025, and the Castle Rock Fire Department (CRFD) purchased a new medic unit during the year. Additionally, Castle Rock Police Department and Douglas County School District launched the first Therapy Dog program in the state. Therapy dog, Buttercup, and School Resource Officer Gillespie completed three different national certifications as a therapy dog team.

Castle Rock Water (CRW) began delivering purified reuse water to the community in 2021, and opened the new Administration and Customer Service Building to provide improved customer service and to support a growing team. Several critical stormwater infrastructure projects were constructed during 2021, including the Hangman's Gulch Phase IV stabilization and the Metzler Regional Stormwater Pond Retrofit. Also completed were water line rehabilitations and replacements in the Glovers area and drainage improvements alongside Parkview Tributary.

Transportation projects included construction of the South and Wilcox roundabout, improvement of four Downtown alleyways that service business and residential properties, and continued progress towards the future Crystal Valley Interchange. The annual pavement maintenance program addressed the northern Castle Rock area in 2021.

The Town continued its economic priorities in 2021 by updating the Development Activity Map on CRgov.com, providing greater transparency and enhancing public outreach. The Town also acquired 308 public parking spaces adjacent to Festival Park in the Encore Parking Garage, improving access for the Town's residents, visitors and employees.

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 2020 Annual Comprehensive 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 Annual Comprehensive 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 thirty-first consecutive year that the Town has received this award.

The Town was also an honored recipient of an award from the GFOA for its fourth submission of the 2020 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.

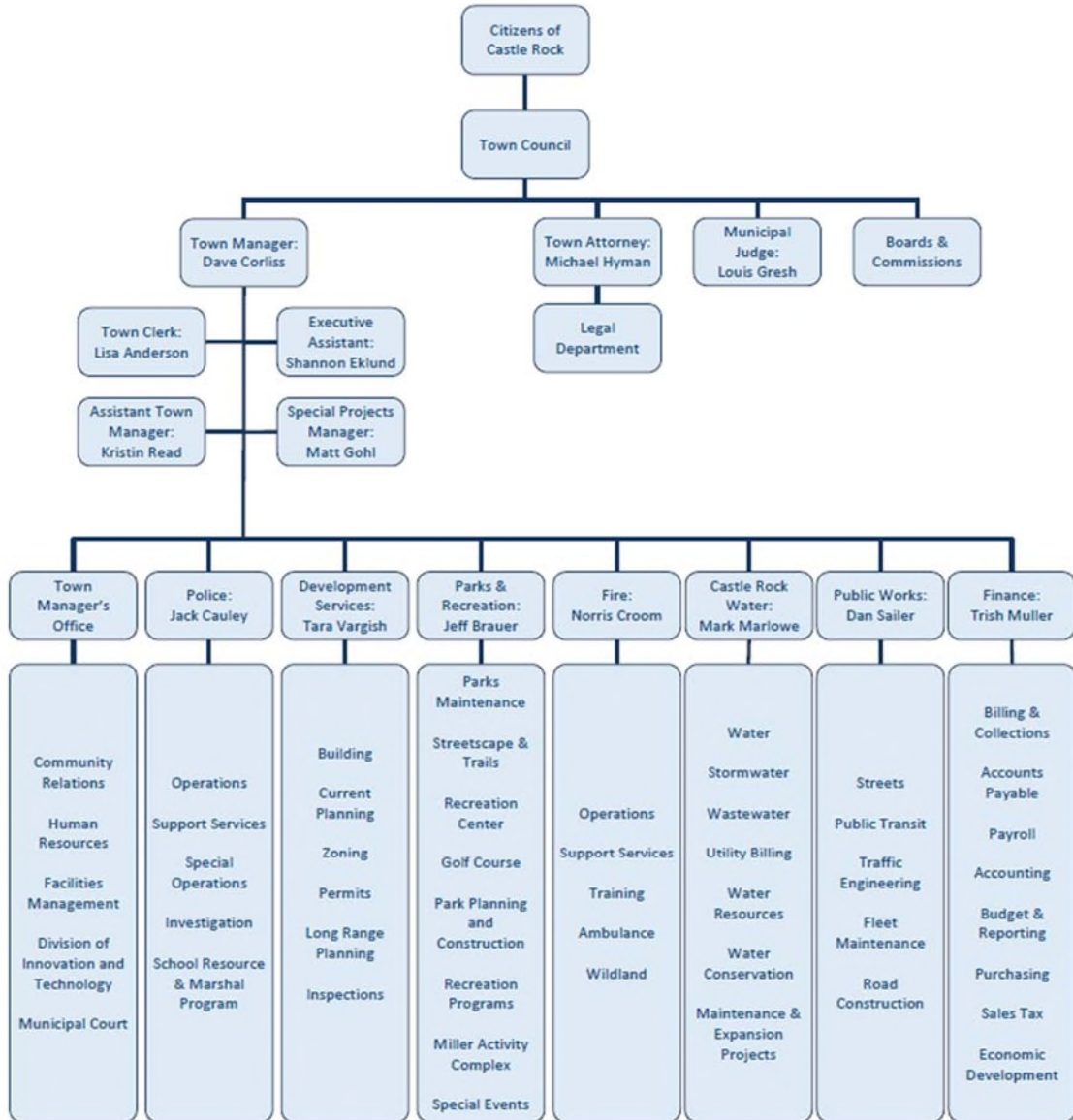
We would like to thank the Town Council for their support throughout the year. We would also like to thank the Finance Staff for their dedicated efforts in the preparation of this report.

Sincerely,

David L. Corliss
Town Manager

Trish Muller, CPA
Finance Director

Organization Chart
Town of Castle Rock, Colorado
December 31, 2021



**Town of Castle Rock, Colorado
Directory of Town Officials
As of December 31, 2021**

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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO



This page left blank intentionally



FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining and Individual Fund Statements and Schedules



1801 California Street, Suite 2900 / Denver, CO 80202

P 303.861.4545 / F 303.832.5705

forvis.com

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2021, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying 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, 2021, 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.

We did not audit the financial statements of Plum Creek Water Reclamation Authority, a joint venture of the Town, which represents 32.5%, 32.9% and 31.1%, respectively, of the assets, net position and revenues of the Wastewater Enterprise Fund and 5.2%, 5.6% and 7.1%, respectively, of the assets, net position and revenues of the Town's business-type activities as of December 31, 2021, and the respective changes in financial position, and where applicable, cash flows thereof for the year then ended. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are required to be independent of the Town, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions. The financial statements the Plum Creek Water Reclamation Authority, a joint venture of the Town included in the Wastewater Enterprise 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*.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town’s ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor’s Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such

procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparisons and pension information as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund statements and schedules and Local Highway Finance Report 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. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in

the United States of America. In our opinion, the combining and individual fund statements and schedules and the Local Highway Finance Report as listed in the table of contents are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report and the popular annual financial report. The other information comprises the introductory and statistical sections of the annual comprehensive financial report and the popular annual financial report but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2022, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

FORVIS,LLP

Denver, Colorado
June 24, 2022

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, 2021. 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 Annual Comprehensive Financial Report.

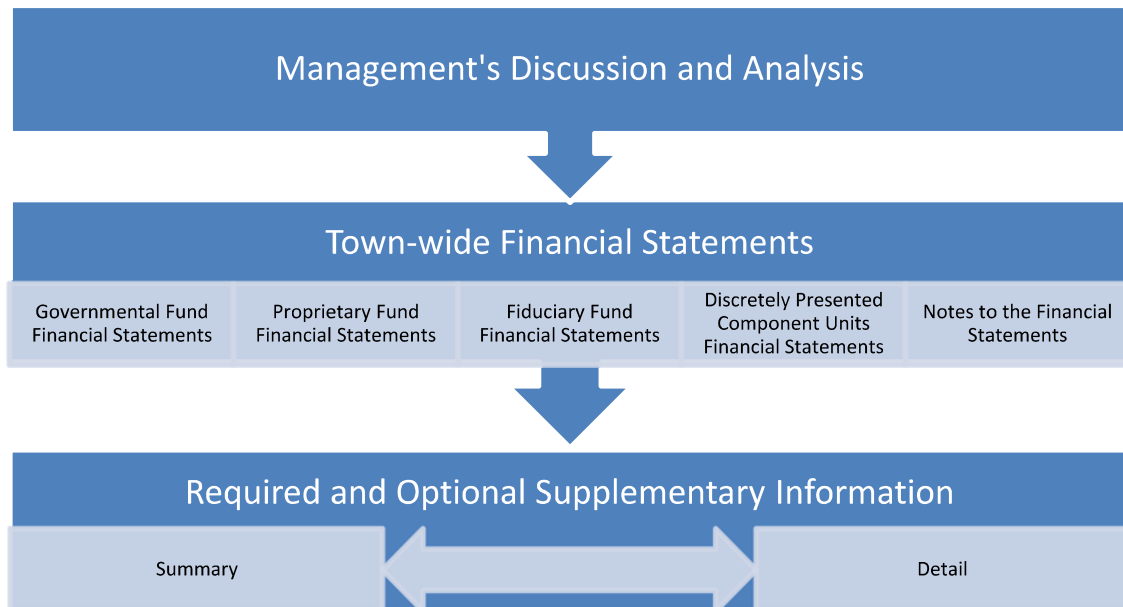
Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at December 31, 2021 by \$1.3 billion (*net position*). Of this amount, \$238.9 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 \$144.7 million or 12 percent.
- As of December 31, 2021, the Town's governmental funds reported combined ending fund balances of \$128.3 million, an increase of \$34.4 million from 2020.
- The Town's long-term liabilities totaled \$113.4 million at the end of 2021. The \$5.4 million or 5 percent decrease from 2020 was primarily due to long-term debt principal payments.
- On December 31, 2021, the unassigned fund balance for the General Fund was \$20.6 million, which consisted of three-months cash reserves of \$13.2 million to cover cash flow requirements and unappropriated funds of \$7.4 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 Castle Rock Downtown Development Authority and the Miller's Landing 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 major enterprise funds: Water, Water Resources, Stormwater, and Wastewater. Data from the three non-major enterprise funds, Golf, Community Center, and Development Services, are aggregated into a single "Other Enterprise Funds" column. Individual fund data for each of these non-major enterprise funds is provided in the Combining and Individual Statements under the Supplemental Information tab. 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. 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, 2021, 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 and sworn police officers. 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), the non-major enterprise 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 2021 and 2020. Based on that comparison, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources (net position) by \$1.3 billion at the close of 2021. Net position may serve over time as a useful indicator of the Town's financial position.

NET POSITION						
DECEMBER 31, 2021 and 2020						
(In thousands)						
	2021			2020		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
ASSETS						
Current and other assets	\$ 165,960	\$ 173,434	\$ 339,394	\$ 127,582	\$ 139,669	\$ 267,251
Capital assets	438,787	675,426	1,114,213	412,563	634,584	1,047,147
Total assets	604,747	848,860	1,453,607	540,145	774,253	1,314,398
DEFERRED OUTFLOWS						
Pension related amounts	4,707	-	4,707	4,123	-	4,123
Loss on refundings	786	487	1,273	846	617	1,463
Total deferred outflows	5,493	487	5,980	4,969	617	5,586
LIABILITIES						
Long-term liabilities	47,883	65,537	113,420	48,956	69,841	118,797
Other liabilities	21,275	5,380	26,655	21,721	6,780	28,501
Total liabilities	69,158	70,917	140,075	70,677	76,621	147,298
DEFERRED INFLOWS						
Pension related amounts	2,909	-	2,909	958	-	958
IREA capital credit	1,204	-	1,204	1,082	-	1,082
Property tax	1,483	-	1,483	1,405	-	1,405
Total deferred inflows	5,596	-	5,596	3,445	-	3,445
Net Position						
Net investment in capital assets	395,258	610,488	1,005,746	376,706	567,916	944,622
Restricted	69,257	-	69,257	29,327	-	29,327
Unrestricted	70,971	167,942	238,913	64,959	130,333	195,292
Total net position	<u>\$ 535,486</u>	<u>\$ 778,430</u>	<u>\$ 1,313,916</u>	<u>\$ 470,992</u>	<u>\$ 698,249</u>	<u>\$ 1,169,241</u>



The largest portion of the net position, \$1.0 billion (77 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, \$69.3 million (5 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$238.9 million (18 percent), consists primarily of accumulated system development 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 2021, 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 \$144.7 million during 2021. There was a \$64.5 million increase in the net position for governmental activities. Total net position of the business-type activities increased \$80.2 million. This increase was largely the result of system development fees of \$37.9 million due to continued growth in

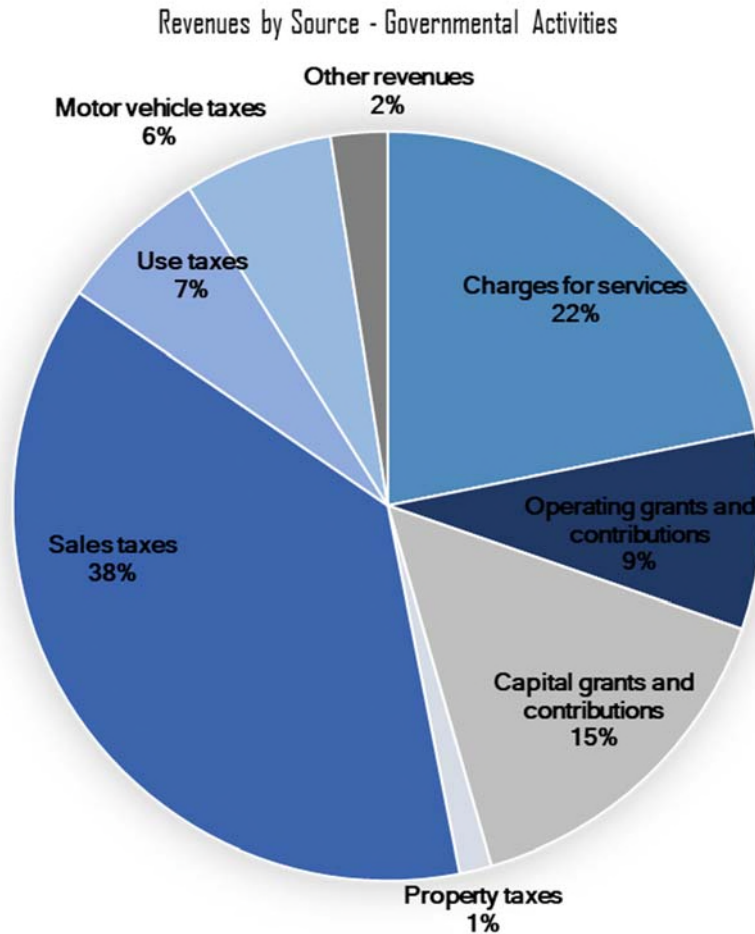
the community and contributed infrastructure from developers of \$25.5 million in the utilities enterprise funds. Additionally, net income from joint venture in the Plum Creek Water Reclamation Authority was \$10.1 million in 2021.

2021 AND 2020 CHANGES IN NET POSITION						
(in thousands)						
	2021			2020		
	Governmental activities	Business-type activities	Total	Governmental activities	Business-type activities	Total
REVENUES						
Program revenues						
Charges for services	\$ 35,238	\$ 63,958	\$ 99,196	\$ 29,600	\$ 61,185	\$ 90,785
Operating grants and contributions	13,744	10,092	23,836	12,497	-	12,497
Capital grants and contributions	24,557	63,404	87,961	17,892	44,345	62,237
General revenues						
Property taxes	2,241	-	2,241	1,745	-	1,745
Sales taxes	60,836	3,257	64,093	52,468	2,829	55,297
Use taxes	10,527	538	11,065	10,104	446	10,550
Other revenues	14,329	495	14,824	10,598	2,755	13,353
Total revenues	161,472	141,744	303,216	134,904	111,560	246,464
EXPENSES						
General government	17,709	-	17,709	19,218	-	19,218
Public safety	33,986	-	33,986	30,340	-	30,340
Public works	35,163	-	35,163	32,327	-	32,327
Culture and recreation	9,021	-	9,021	8,361	-	8,361
Interest on long-term debt	1,134	-	1,134	1,237	-	1,237
Water	-	19,026	19,026	-	18,922	18,922
Water Resources	-	12,869	12,869	-	10,777	10,777
Stormwater	-	5,333	5,333	-	4,923	4,923
Wastewater	-	6,228	6,228	-	10,162	10,162
Other non-major enterprises	-	18,072	18,072	-	16,097	3,104
Total expenses	97,013	61,528	158,541	91,483	60,881	152,364
Increase in net position before transfers	64,459	80,216	144,675	43,421	50,679	94,100
Transfers	35	(35)	-	(188)	188	-
Increase in net position	64,494	80,181	144,675	43,233	50,867	94,100
Net position - January 1	470,992	698,249	1,169,241	427,759	647,382	1,075,141
Net position - December 31	\$ 535,486	\$ 778,430	\$ 1,313,916	\$ 470,992	\$ 698,249	\$ 1,169,241

The iconic Castle Rock Star is lit 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.



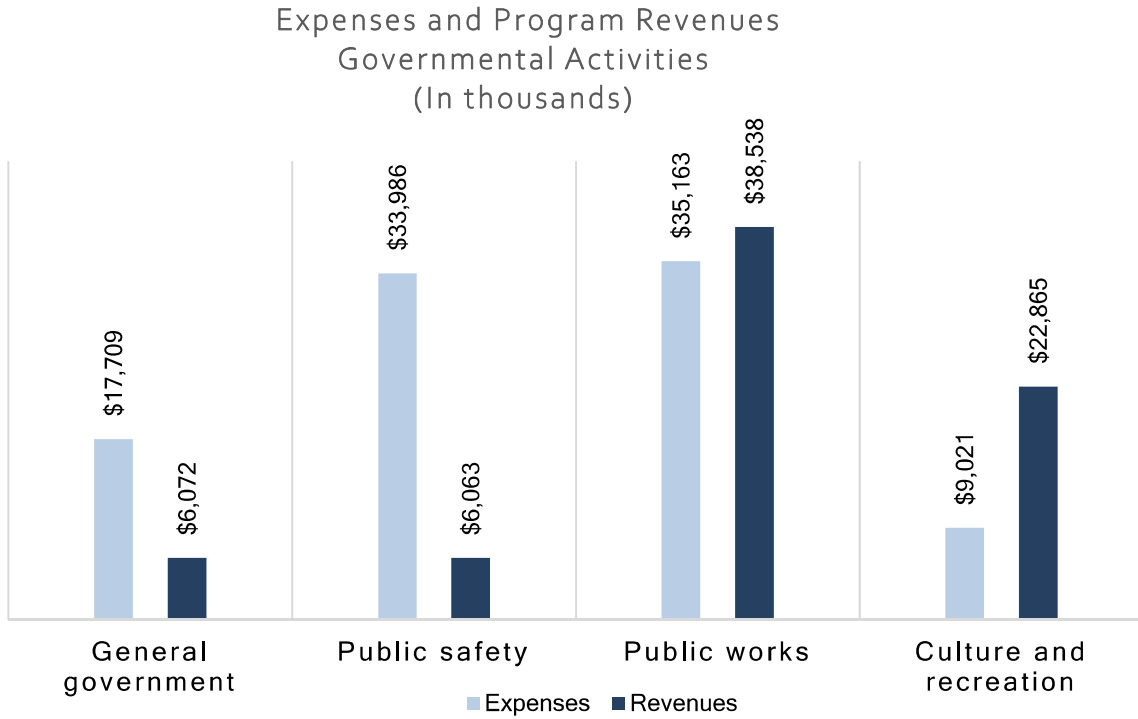
Governmental activities. The following chart shows the governmental activities revenues by source. Sales taxes provide 38 percent of the total revenues of the governmental activities. Program revenues including charges for services and grants and contributions provide 46 percent of revenues in the governmental 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 \$64.5 million. Key elements of this change are as follows:

- Sales taxes increased by \$8.4 million or 16 percent in 2021 due to increasing consumer confidence
- Motor vehicle taxes increased by \$4.1 million or 65 percent in 2021 due to community growth and increasing consumer confidence
- Public works capital grants and contributions increased \$6.0 million or 56 percent in 2021 due to increased street conveyances
- Culture and recreation charges for services increased \$3.2 million or 43 percent in 2021 due to community growth and fee increases

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.

Town of Castle Rock's Police Chief Jack Cauley was appointed to the International Association of Chiefs of Police (IACP) Board of Directors for midsize agencies with 100-249 sworn officers.

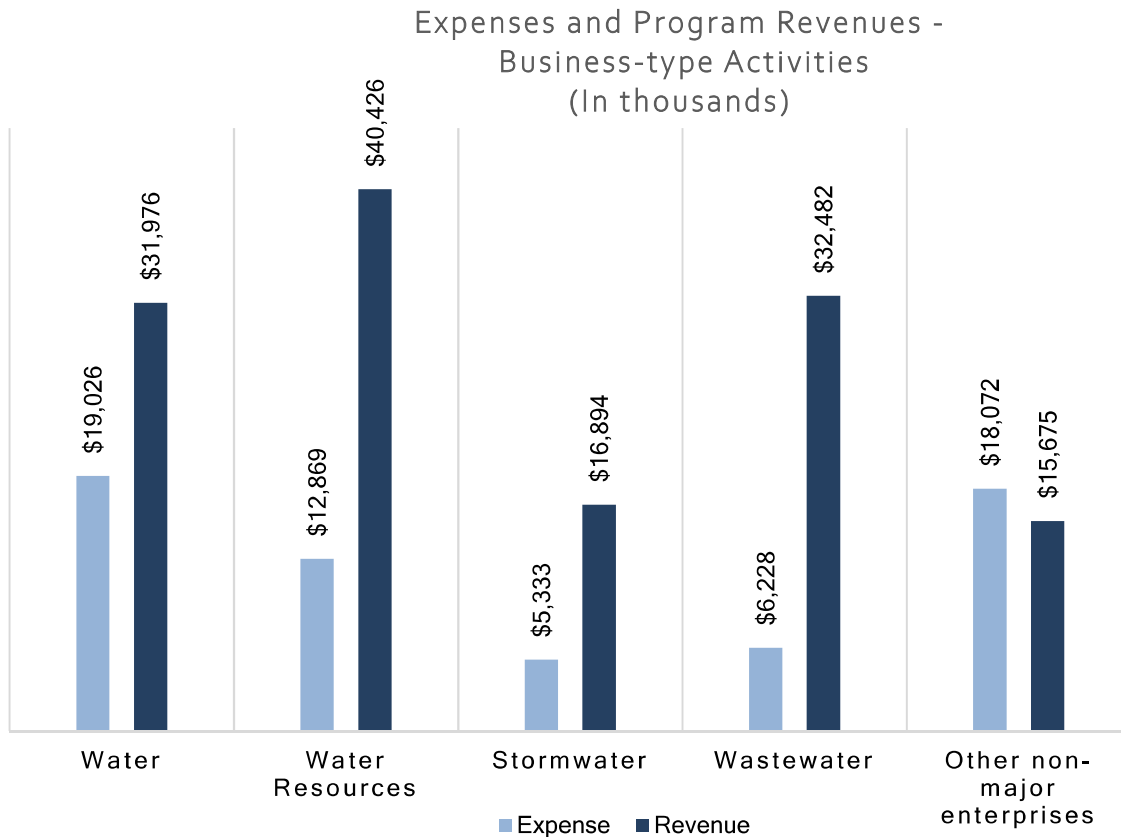


Established in 1893, IACP has more than 31,000 members in 165 countries. Its mission is to advance the policing profession through advocacy, research, outreach and education.

Business-type activities. Business-type activities increased the Town's net position by \$80.2 million, accounting for 56 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 \$37.9 million to be used for future capital projects, contributed infrastructure from developers of \$25.5 million, and net income from joint venture of \$10.1 million.

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, 2021, the governmental funds reported combined ending fund balances of \$128.3 million, which was an increase of \$34.4 million from 2020. Of the \$128.3 million, the unassigned balance is \$20.3 million or 16 percent, which is available to spend at the Town’s discretion. The unassigned balance includes \$13.2 million in three-month cash reserves to cover cash flow requirements for the General Fund. The remaining fund balance of \$108 million, consists of fund balance that otherwise has constraints. These constraints include: \$2.6 million in non-spendable funds due to the nature of prepaid and long-term receivables, \$66.8 million in restricted funds due to revenues restricted for a specific purpose of which portions are not yet designated for a specific project, \$35.7 million in committed funds for spending determined by the Town Council, and \$2.8 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 2021, fund balance of the General Fund was \$47.1 million, of which \$20.6 million was unassigned. As a measure of the General Fund’s liquidity, unassigned fund balance represents 32 percent of the General Fund expenditures of \$64.1 million. The General Fund balance increased by \$87 thousand during 2021.

At the end of 2021, total fund balance of the Transportation Fund was \$22.5 million. Of this amount, \$72 thousand is non-spendable funds due to prepaids, \$5.9 million is restricted for a specific purpose of which portions are not yet designated for a specific project, and \$16.6 million is committed by Town Council for future projects. Fund balance for the Transportation Fund increased \$7.7 million in 2021. Overall, the Transportation Fund revenues increased \$5.8 million or 22 percent in 2021, excluding impact fees that are collected in the Transportation Capital Fund. Of the \$5.8 million increase in revenues, \$4.4 million was attributable to increased sales, use and motor vehicle tax revenues.

The Transportation Capital Fund qualifies as a major fund for 2021 and had a total fund balance of \$29.8 million at the end of 2021, \$13.1 million greater than at the end of 2020 as a result of increased development impact fee and intergovernmental revenues and decreased expenditures. 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 \$28.8 million in 2021, 13.5 million greater than at the end of 2020.

Proprietary funds. Unrestricted net position of the combined enterprise funds at the end of 2021 were \$167.9 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 2021. Net position for enterprise funds increased in 2021 by \$79.7 million with \$12.7 million from Water, \$27.4 million from Water



Resources, \$11.5 million from Stormwater, \$26.2 million from Wastewater, and \$1.8 million from the other non-major enterprise funds (Golf, Development Services, and Community Center).

Charges for services coupled with capital grants, contributions and transfers exceeded expenses by \$75.4 million. In addition, investment earnings and sales taxes contributed another \$4.3 million resulting in the increase to net position of \$79.7 million.

ColoradoBiz Magazine recognized Red Hawk as one of the Best Public Golf Courses for its seventh year.

CAPITAL ASSETS (net of depreciation) (In thousands)						
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 75,694	\$ 68,289	\$ 22,614	\$ 18,786	\$ 98,308	\$ 87,075
Easements	4,403	4,306	15,144	13,931	19,547	18,237
Right of Ways	12,675	10,314	244	244	12,919	10,558
Artwork	294	294	-	-	294	294
Water Rights	-	-	117,903	98,141	117,903	98,141
Water Rights Definite Life	-	-	51,288	51,634	51,288	51,634
Buildings and improvements	60,691	50,767	57,171	29,080	117,862	79,847
Machinery and equipment	11,695	13,016	10,522	3,000	22,217	16,016
Infrastructure	229,497	226,760	322,296	303,484	551,793	530,244
Other structures and improvements	23,565	25,619	8,709	3,866	32,274	29,485
Construction in progress	20,274	13,198	69,534	112,418	89,808	125,616
Total	\$ 438,788	\$ 412,563	\$ 675,425	\$ 634,584	\$ 1,114,213	\$ 1,047,147

Capital Asset and Debt Administration

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2021, amounts to \$1.1 billion (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 2021 included:

- Acquired 308 public parking spaces in the Encore Parking Garage adjacent to Town Hall
- Completed construction of the South and Wilcox roundabout
- Continued progress toward a future Interstate 25 interchange at Crystal Valley Parkway
- Commenced construction of a new neighborhood park in Cobblestone Ranch
- Completed construction of the Castle Rock Water Administration and Customer Service Building
- Constructed several critical stormwater infrastructure projects, including Hangman's Gulch Phase IV stabilization and the Metzler Regional Stormwater Pond Retrofit
- Purchased renewable water rights on Cherry Creek and broke ground on a new regional reservoir (Walker Reservoir) that will be used for water rights storage



Additional information concerning the Town's capital assets can be found in the Notes to the Basic Financial Statements on page(s) 60-61.

Long-term debt

	OUTSTANDING DEBT					
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue bonds	\$ 25,868,270	\$ 27,213,771	\$ 53,974,346	\$ 58,846,032	\$ 79,842,616	\$ 86,059,803
Certificates of participation	16,227,093	16,678,982	-	-	16,227,093	16,678,982
Notes payable	-	-	9,500,000	9,000,000	9,500,000	9,000,000
Capital leases	-	-	110,777	243,389	110,777	243,389
Total	\$ 42,095,363	\$ 43,892,753	\$ 63,585,123	\$ 68,089,421	\$ 105,680,486	\$ 111,982,174
The Town has no general obligation bonds outstanding.						

At the end of 2021, the Town had total long-term debt outstanding of \$105.7 million. Of this amount, there were no general obligation bonds outstanding. There were revenue bonds of \$79.8 million and \$16.2 million in certificates of participation secured by specific revenue sources. The remainder of the debt (\$9.6 million) consists of notes and lease purchase agreements.

The Town's total long-term debt decreased by \$6.3 million or 6 percent in 2021 due to scheduled debt service payments. The Town also drew the final \$500 thousand on the Stormwater Note during 2021.

Additional information on the Town's long-term debt can be found in the Notes to the Basic Financial Statements on page(s) 63-69.

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 in total expenditures of \$2.9 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 totaling \$2.2 million. The largest components of the capital carryforward in the General Fund were \$1.2 million for park improvements and \$680 thousand for annual trail improvements.

When comparing budgeted to actual expenditures in the General Fund and subsidiary Economic Development Fund and Parking Fund, there were positive variances of \$4.2 million, \$4.7 million, and \$0.9 million respectively. For the General Fund, this was made up of unspent capital funds of \$2.5 million or 60 percent, for projects not completed in 2021, \$0.4 million or 9 percent in supplies, and \$1.3 million or 31 percent in services and other expenses such as utility costs, vehicle repairs, and contingencies. For the Economic Development Fund, the \$4.7 million were economic development opportunities that have not yet come to fruition in 2021 and will be re-appropriated in a future year. For the Parking Fund, the \$0.9 million positive variance was attributable to unspent capital funds and maintenance costs associated with the new public parking spaces.

Economic Factors and Next Year's Budgets and Rates

The Town fared well in the midst of the global pandemic that extended into 2021. In line with the Town's consistently conservative fiscal management approach, staff continually monitored economic conditions throughout 2021 and was prepared to adjust spending and future planning accordingly. The Town continued to experience increases in revenue and growth during 2021 and is well positioned to work through fiscal outcomes of the pandemic.

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

- The Town continued to experience growth during 2021 with the issuance of permits for 1,707 new residential units (1,169 single family, 538 multi-family), and 80,083 square feet of nonresidential development, 56,283 square feet of commercial development and 23,800 square feet of warehouse development. The Town will budget 800 new residential units, 220 multifamily units and roughly 150,000 square feet of commercial development in the 2022 budget.

- 6% increase in sales tax on lodging based on the November 2021 election results.
- 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. Impact fees are adjusted annually for inflation.

Existing rates and fees are set pursuant to Town Council approved schedules or policies. 2022 budget includes increases ranging from 2.5% to 5% in the Water Resources, Stormwater and Wastewater funds. There will be an increase in growth-related water system development fees for 2022, along with inflationary increases for all other impact fees as previously approved by Council.

The 2022 budget provides for \$120 million in capital improvements. This includes the following significant projects:

- Construct the Front Range Trail extension, to be partially funded with a Connect Initiative Grant through Great Outdoors Colorado (GOCO)
- Widening of Plum Creek Parkway from Eaton Street to Ridge Road
- Widening of Ridge Road from Highway 86 to Plum Creek Parkway
- Improve the intersection of Highway 86 and 5th Street
- Continue design and preconstruction activities for the future Interstate 25/Crystal Valley Parkway interchange
- Rehabilitate and replace existing Town of Castle Rock wells and waterlines as they approach the end of their useful lives
- Continue additional pipeline connections and infrastructure expansion as part of the Water Infrastructure and Supply efficiency (WISE) Project
- Construct Castle Rock Reservoir No. 2, a new 786 acre-foot raw water storage reservoir
- Construct a new pump station, pipeline and outlet structure into Rueter-Hess Reservoir for storage and treatment of a portion of the Town’s water rights
- Continue stream and drainage way stormwater infrastructure projects

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:



Basic Financial Statements

Town-wide Financial Statements

Fund Financial Statements

Notes to the Basic Financial Statements

Town-wide Financial Statements

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 107,547,219	\$ 54,638,824	\$ 162,186,043	\$ 880,816
Investments	35,731,767	68,303,499	104,035,266	-
Restricted cash and cash equivalents	3,131,963	714,872	3,846,835	5,404,741
Cash held in escrow	1,705,101	-	1,705,101	-
Receivables				
Property taxes	1,483,041	-	1,483,041	223,471
Grants	865,787	-	865,787	-
Sales taxes	7,179,841	397,828	7,577,669	-
Accounts, net of allowance of \$272,938	3,660,380	5,248,167	8,908,547	50,592
Long term receivable	1,204,225	-	1,204,225	-
Internal balances	226,731	(226,731)	-	-
Prepaid items	814,283	318,221	1,132,504	-
Inventory	-	75,300	75,300	-
Capital assets				
Land	75,693,623	22,614,151	98,307,774	-
Water rights	-	190,912,534	190,912,534	-
Artwork	293,733	-	293,733	-
Right of way	12,675,119	244,469	12,919,588	-
Easements	4,403,413	15,144,378	19,547,791	-
Construction in progress	20,274,028	69,533,915	89,807,943	14,132,362
Buildings and improvements	80,619,375	69,851,797	150,471,172	124,532
Infrastructure	420,646,568	480,005,106	900,651,674	-
Other structures and improvements	65,251,410	12,581,023	77,832,433	-
Machinery and equipment	42,837,444	16,998,046	59,835,490	-
Accumulated depreciation	(283,907,114)	(202,459,838)	(486,366,952)	(111,357)
Net pension asset	2,409,475	-	2,409,475	-
Investment in joint venture	-	43,964,320	43,964,320	-
Total assets	604,747,412	848,859,881	1,453,607,293	20,705,157
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	4,707,177	-	4,707,177	-
Loss on refundings	785,946	487,019	1,272,965	-
Total deferred outflows of resources	5,493,123	487,019	5,980,142	-

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, 2021

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
LIABILITIES				
Accounts payable	6,826,257	3,956,431	10,782,688	-
Accounts payable from restricted assets	40,000	-	40,000	-
Retainage payable	687,813	360,138	1,047,951	-
Accrued liabilities	105,211	185,701	290,912	945,744
Deposits	3,263,070	223,291	3,486,361	-
Unearned revenues	10,352,684	654,766	11,007,450	-
Non-current liabilities				
Due within one year	4,617,284	6,376,203	10,993,487	-
Due beyond one year	43,266,203	59,160,495	102,426,698	25,438,790
Total liabilities	69,158,522	70,917,025	140,075,547	26,384,534
DEFERRED INFLOWS OF RESOURCES				
Pension related amounts	2,908,958	-	2,908,958	-
IREA capital credit	1,204,225	-	1,204,225	-
Sponsorships	-	-	-	-
Property tax	1,483,041	-	1,483,041	223,471
Total deferred inflows of resources	5,596,224	-	5,596,224	223,471
NET POSITION				
Net investment in capital assets	395,257,608	610,487,873	1,005,745,481	(5,247,207)
Restricted for parks and open space	226,816	-	226,816	-
Restricted for emergencies	2,780,900	-	2,780,900	10,300
Restricted for public safety and transportation	14,882,140	-	14,882,140	-
Restricted for capital projects	46,083,923	-	46,083,923	-
Restricted for pensions	2,409,475	-	2,409,475	-
Restricted for debt service	-	-	-	1,965,206
Restricted for other purposes	2,873,562	-	2,873,562	-
Unrestricted	70,971,365	167,942,002	238,913,367	(2,631,147)
Total net position	535,485,789	778,429,875	1,313,915,664	(5,902,848)

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, 2021

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Governmental activities			
General government	\$ 17,709,336	\$ 5,305,672	\$ 6,739
Public safety	33,985,779	5,978,196	84,826
Public works	35,162,525	13,385,762	8,578,949
Culture and recreation	9,020,980	10,567,882	5,072,906
Interest on long-term debt	1,133,978	-	-
Total Governmental activities	97,012,598	35,237,512	13,743,420
Business-type activities			
Water	19,025,891	18,312,568	-
Water resources	12,868,540	13,731,510	-
Stormwater	5,333,462	4,283,861	-
Wastewater	6,227,938	11,955,017	10,092,190
Other non-major enterprises	18,072,040	15,675,271	-
Total Business-type activities	61,527,871	63,958,227	10,092,190
	<u>\$ 158,540,469</u>	<u>\$ 99,195,739</u>	<u>\$ 23,835,610</u>
Component units	<u>\$ 2,546,551</u>	<u>\$ 82,861</u>	<u>\$ 187,191</u>

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

Net effect of restated retainage payable

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.

Net (Expense) Revenue and Changes in Net Position				
Primary Government				
Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total	Component Units
\$ 760,000	\$ (11,636,925)	\$ -	\$ (11,636,925)	\$ -
-	(27,922,757)	-	(27,922,757)	-
16,573,065	3,375,251	-	3,375,251	-
7,224,167	13,843,975	-	13,843,975	-
-	(1,133,978)	-	(1,133,978)	-
<u>24,557,232</u>	<u>(23,474,434)</u>	<u>-</u>	<u>(23,474,434)</u>	<u>-</u>
13,663,894	-	12,950,571	12,950,571	-
26,694,755	-	27,557,725	27,557,725	-
12,610,058	-	11,560,457	11,560,457	-
10,434,938	-	26,254,207	26,254,207	-
-	-	(2,396,769)	(2,396,769)	-
<u>63,403,645</u>	<u>-</u>	<u>75,926,191</u>	<u>75,926,191</u>	<u>-</u>
<u>\$ 87,960,877</u>	<u>\$ (23,474,434)</u>	<u>\$ 75,926,191</u>	<u>\$ 52,451,757</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,276,499)</u>
	\$ 2,241,457	\$ -	\$ 2,241,457	\$ 250,695
	60,835,980	3,257,072	64,093,052	-
	10,526,679	538,100	11,064,779	-
	10,377,638	655,816	11,033,454	-
	3,271,042	-	3,271,042	157,613
	(31,821)	(160,807)	(192,628)	372
	711,458	-	711,458	36,406
	35,259	(35,259)	-	-
	<u>87,967,692</u>	<u>4,254,922</u>	<u>92,222,614</u>	<u>445,086</u>
	64,493,258	80,181,113	144,674,371	(1,831,413)
	470,992,531	698,248,762	1,169,241,293	(4,354,968)
	-	-	-	283,533
	<u>470,992,531</u>	<u>698,248,762</u>	<u>1,169,241,293</u>	<u>(4,071,435)</u>
	<u>\$ 535,485,789</u>	<u>\$ 778,429,875</u>	<u>\$ 1,313,915,664</u>	<u>\$ (5,902,848)</u>

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



This page left blank intentionally

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, 2021

	General	Transportation	Transportation Capital	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 27,519,945	\$ 19,893,159	\$ 23,552,691	\$ 27,790,419	\$ 98,756,214
Investments	16,130,471	6,128,484	6,602,184	4,613,944	33,475,083
Restricted cash and cash equivalents	2,891,550	240,413	-	-	3,131,963
Cash held in Escrow	-	-	18,581	1,686,520	1,705,101
Receivables					
Property taxes	1,483,041	-	-	-	1,483,041
Sales taxes	5,326,343	1,853,498	-	-	7,179,841
Accounts, net of allowance of \$272,938	1,966,107	1,476,886	813,327	105,614	4,361,934
Prepaid items	512,490	71,774	-	3,532	587,796
Advance to other funds	98,880	-	-	-	98,880
Loans to other funds	3,000,631	-	-	152,739	3,153,370
Total assets	<u>\$ 58,929,458</u>	<u>\$ 29,664,214</u>	<u>\$ 30,986,783</u>	<u>\$ 34,352,768</u>	<u>\$ 153,933,223</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,950,136	\$ 2,991,771	\$ 429,668	\$ 853,495	\$ 6,225,070
Accounts payable from restricted assets	40,000	-	-	-	40,000
Retainage payable	10,418	172,556	313,955	190,884	687,813
Deposits	3,263,070	-	-	-	3,263,070
Unearned revenues	4,071,749	3,904,636	-	1,726,521	9,702,906
Advance from other funds	-	-	-	98,880	98,880
Loans from other funds	1,029,028	-	-	2,652,555	3,681,583
Total liabilities	<u>10,364,401</u>	<u>7,068,963</u>	<u>743,623</u>	<u>5,522,335</u>	<u>23,699,322</u>
Deferred inflows of resources					
Property taxes	1,483,041	-	-	-	1,483,041
Unavailable fund resources	5,965	59,872	396,470	18,775	481,082
Total liabilities and deferred inflows of resources	<u>11,853,407</u>	<u>7,128,835</u>	<u>1,140,093</u>	<u>5,541,110</u>	<u>25,663,445</u>
Fund balances					
Nonspendable	2,562,431	71,774	-	3,532	2,637,737
Restricted	14,132,450	5,882,140	29,846,690	16,986,061	66,847,341
Committed	6,990,816	16,581,465	-	12,117,730	35,690,011
Assigned	2,797,363	-	-	-	2,797,363
Unassigned	20,592,991	-	-	(295,665)	20,297,326
Total fund balances	<u>47,076,051</u>	<u>22,535,379</u>	<u>29,846,690</u>	<u>28,811,658</u>	<u>128,269,778</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 58,929,458</u>	<u>\$ 29,664,214</u>	<u>\$ 30,986,783</u>	<u>\$ 34,352,768</u>	<u>\$ 153,933,223</u>

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, 2021**

Total governmental funds - fund balances	\$ 128,269,778
 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 \$6,688,101 internal service fund capital assets.	432,099,498
Net pension assets do not represent current financial resources available to pay current period expenditures and therefore are not reported in the funds.	2,409,475
Long-term receivables related to regulatory activities do not provide current financial resources until received and therefore are not recorded in the funds.	1,204,225
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.	17,556,943
Deferred outflows of resources, related to the loss on refundings is amortized over future reporting periods and is not recorded in the funds.	785,946
Deferred outflows of resources of \$4,707,177 and inflows of resources of (\$2,908,958), 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.	1,798,219
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.	(1,204,225)
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.	(47,741,252)
Net pension liabilities are not due and payable in the current period and therefore not reported in the funds.	(173,900)
Deferred inflows of resources related to unavailable fund resources are recognized as revenue in the Town-wide financial statements.	481,082
	<hr/>
Net position of the governmental activities	<u><u>\$ 535,485,789</u></u>

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, 2021**

	<u>General</u>	<u>Transportation</u>	<u>Transportation Capital</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES					
Taxes					
Property	\$ 1,387,051	\$ -	\$ -	\$ 854,406	\$ 2,241,457
Sales	43,901,118	15,277,015	-	2,053,586	61,231,719
Use	598,405	4,229,655	3,203,944	2,494,675	10,526,679
Motor vehicle	6,685,380	3,692,258	-	-	10,377,638
Other taxes	3,271,042	-	-	-	3,271,042
Charges for services	3,035,694	107	-	571,854	3,607,655
Development impact fees	-	-	13,385,655	12,856,799	26,242,454
Management fees	4,304,660	-	-	-	4,304,660
Licenses and permits	133,909	-	-	131,743	265,652
Fines and forfeitures	289,720	-	-	-	289,720
Investment earnings	(23,758)	(5,692)	(7,793)	7,082	(30,161)
Intergovernmental	47,144	8,482,280	2,275,277	4,836,396	15,641,097
Contributions and donations	59,516	709,802	1,342,154	294,950	2,406,422
Other	697,363	37,350	21	1,521	736,255
Total revenues	<u>64,387,244</u>	<u>32,422,775</u>	<u>20,199,258</u>	<u>24,103,012</u>	<u>141,112,289</u>
EXPENDITURES					
Current					
General government	14,613,993	-	-	2,057,605	16,671,598
Public safety	34,096,630	-	-	-	34,096,630
Public works	-	21,458,326	-	-	21,458,326
Culture and recreation	4,688,195	-	-	1,355,117	6,043,312
Capital outlay	10,335,415	1,644,133	6,897,940	6,512,911	25,390,399
Debt service					
Principal	-	665,000	515,000	400,000	1,580,000
Interest	389,367	244,500	456,657	308,413	1,398,937
Agency fees	2,000	300	700	2,000	5,000
Debt issue costs	-	-	-	-	-
Total expenditures	<u>64,125,600</u>	<u>24,012,259</u>	<u>7,870,297</u>	<u>10,636,046</u>	<u>106,644,202</u>
Excess (deficiency) of revenues over (under) expenditures	<u>261,644</u>	<u>8,410,516</u>	<u>12,328,961</u>	<u>13,466,966</u>	<u>34,468,087</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	762,708	-	750,000	864,797	2,377,505
Transfers out	(937,493)	(742,142)	-	(789,707)	(2,469,342)
Total other financing sources (uses)	<u>(174,785)</u>	<u>(742,142)</u>	<u>750,000</u>	<u>75,090</u>	<u>(91,837)</u>
Net change in fund balances	86,859	7,668,374	13,078,961	13,542,056	34,376,250
Fund balances - January 1	<u>46,989,192</u>	<u>14,867,005</u>	<u>16,767,729</u>	<u>15,269,602</u>	<u>93,893,528</u>
Fund balances - December 31	<u>\$ 47,076,051</u>	<u>\$ 22,535,379</u>	<u>\$ 29,846,690</u>	<u>\$ 28,811,658</u>	<u>\$ 128,269,778</u>

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, 2021

Net change in fund balances total government funds \$ 34,376,250

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

Governmental funds report capital outlay \$25,390,399 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 (\$18,846,209). This amount is the net difference between capital outlay and depreciation reported in the current period, less depreciation related to internal service funds. 6,544,190

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 2021 the Town received capital assets for plaza infrastructure (general government) valued at \$760,000, streets (public works) valued at \$13,608,147, land and easements (culture and recreation) valued at \$7,149,167. 21,517,314

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 \$51,636. (51,636)

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. 1,093,510

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. 2,133,277

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. 521,498

Deferred inflows of resources related to unavailable fund resources are not recognized as revenue in the governmental funds. (1,641,145)

Change in net position of governmental activities \$ 64,493,258

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.

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.

NON-MAJOR FUNDS

Other Enterprise Funds

Golf Fund

Community Center Fund

Development Services Fund

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2021

	Water	Water Resources	Stormwater	Wastewater
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 15,234,048	\$ 16,664,407	\$ 5,592,985	\$ 11,448,736
Investments	11,607,949	40,238,527	6,913,860	5,207,616
Restricted cash and cash equivalents	-	-	214,057	-
Receivables	1,091,404	2,066,824	868,942	1,128,270
Prepaid items	59,504	38,502	36,015	29,882
Inventory	-	-	-	-
Total current assets	<u>27,992,905</u>	<u>59,008,260</u>	<u>13,625,859</u>	<u>17,814,504</u>
Non-current Assets				
Capital assets				
Land	2,075,814	9,316,709	4,679,350	947,834
Easements	2,744,362	2,069,881	9,464,153	859,882
Right of way	28,024	-	216,445	-
Water rights	87,791,360	103,121,174	-	-
Construction in progress	7,058,708	57,812,690	3,601,210	1,061,307
Buildings and improvements	4,796,158	44,642,370	1,705,388	3,135,309
Infrastructure	229,293,352	55,354,657	91,687,491	103,669,606
Machinery and equipment	3,873,152	9,431,959	239,581	1,109,837
Other structures and improvements	2,292,930	904,056	5,874,107	1,193,229
Accumulated depreciation	(121,670,642)	(10,788,123)	(22,321,426)	(38,382,344)
Total capital assets (net of accumulated depreciation)	<u>218,283,218</u>	<u>271,865,373</u>	<u>95,146,299</u>	<u>73,594,660</u>
Investment in joint venture	-	-	-	43,964,320
Loans to other funds	-	1,029,028	-	-
Total non-current assets	<u>218,283,218</u>	<u>272,894,401</u>	<u>95,146,299</u>	<u>117,558,980</u>
Total assets	<u>246,276,123</u>	<u>331,902,661</u>	<u>108,772,158</u>	<u>135,373,484</u>
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refundings	220,012	-	-	42,188
LIABILITIES				
Current liabilities				
Accounts payable	1,072,298	863,050	611,205	775,780
Retainage payable	143,436	69,020	122,466	25,216
Accrued interest payable	19,234	141,396	15,200	2,570
Deposits	197,295	-	-	-
Revenue bonds payable-current	1,508,800	2,070,000	-	301,200
Notes payable current	-	-	900,000	-
Capital leases-current	-	-	-	-
Accrued leave-current	417,144	57,819	82,920	18,996
Unearned revenues	228,111	-	13,890	130,162
Total current liabilities	<u>3,586,318</u>	<u>3,201,285</u>	<u>1,745,681</u>	<u>1,253,924</u>
Non-current liabilities				
Revenue bonds net of unamortized premiums (discounts)	3,879,520	43,127,716	-	372,110
Notes payable	-	-	8,600,000	-
Accrued leave	366,726	16,040	75,061	8,237
Loans from other funds	-	-	-	-
Total non-current liabilities	<u>4,246,246</u>	<u>43,143,756</u>	<u>8,675,061</u>	<u>380,347</u>
Total liabilities	<u>7,832,564</u>	<u>46,345,041</u>	<u>10,420,742</u>	<u>1,634,271</u>
NET POSITION				
Net investment in capital assets	212,450,598	226,359,836	85,293,984	72,703,637
Unrestricted	26,212,973	59,197,784	13,057,432	61,077,764
Total net position	<u>\$ 238,663,571</u>	<u>\$ 285,557,620</u>	<u>\$ 98,351,416</u>	<u>\$ 133,781,401</u>

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

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
		Internal Service Funds
\$ 5,698,648	\$ 54,638,824	\$ 8,791,005
4,335,547	68,303,499	2,256,684
500,815	714,872	-
490,555	5,645,995	164,233
154,318	318,221	226,487
75,300	75,300	-
<u>11,255,183</u>	<u>129,696,711</u>	<u>11,438,409</u>
5,594,444	22,614,151	-
6,100	15,144,378	-
-	244,469	-
-	190,912,534	-
-	69,533,915	43,156
15,572,572	69,851,797	43,590
-	480,005,106	-
2,343,517	16,998,046	26,694,902
2,316,701	12,581,023	-
(9,297,303)	(202,459,838)	(20,093,547)
<u>16,536,031</u>	<u>675,425,581</u>	<u>6,688,101</u>
-	43,964,320	-
-	1,029,028	-
<u>16,536,031</u>	<u>720,418,929</u>	<u>6,688,101</u>
<u>27,791,214</u>	<u>850,115,640</u>	<u>18,126,510</u>
224,819	487,019	-
634,098	3,956,431	601,187
-	360,138	-
7,301	185,701	-
25,996	223,291	-
420,000	4,300,000	-
-	900,000	-
110,777	110,777	-
488,547	1,065,426	53,180
282,603	654,766	649,778
<u>1,969,322</u>	<u>11,756,530</u>	<u>1,304,145</u>
2,295,000	49,674,346	-
-	8,600,000	-
420,085	886,149	20,366
500,815	500,815	-
<u>3,215,900</u>	<u>59,661,310</u>	<u>20,366</u>
<u>5,185,222</u>	<u>71,417,840</u>	<u>1,324,511</u>
13,679,818	610,487,873	6,688,101
9,150,993	168,696,946	10,113,898
<u>\$ 22,830,811</u>	<u>\$ 779,184,819</u>	<u>\$ 16,801,999</u>

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, 2021**

Total enterprise net position \$ 779,184,819

**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.

(754,944)

Net position of the business-type activities

\$ 778,429,875

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



This page left blank intentionally

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

	<u>Water</u>	<u>Water Resources</u>	<u>Stormwater</u>
OPERATING REVENUES			
Charges for services	\$ 16,956,415	\$ 10,831,226	\$ 3,727,519
Fines and forfeitures	169,083	151,862	-
Intergovernmental	500,700	39,274	-
Net income from joint venture	-	-	-
Other	686,370	2,709,148	556,342
Total operating revenues	<u>18,312,568</u>	<u>13,731,510</u>	<u>4,283,861</u>
OPERATING EXPENSES			
Cost of sales and services	-	-	-
Operations	12,252,640	8,353,124	2,692,855
Depreciation	6,677,492	3,362,490	2,525,427
Total operating expenses	<u>18,930,132</u>	<u>11,715,614</u>	<u>5,218,282</u>
Operating income (loss)	<u>(617,564)</u>	<u>2,015,896</u>	<u>(934,421)</u>
NON-OPERATING REVENUES (EXPENSES)			
Taxes	-	-	-
Investment earnings	(24,922)	(106,902)	(14,941)
Gain (loss) on disposal of capital assets	(350)	-	(250)
Interest expense	(214,824)	(1,191,103)	(176,027)
Debt issue costs	-	-	-
Agency and other fees	(552)	(300)	-
Total non-operating revenues (expenses)	<u>(240,648)</u>	<u>(1,298,305)</u>	<u>(191,218)</u>
Net income (loss) before contributions and transfers	<u>(858,212)</u>	<u>717,591</u>	<u>(1,125,639)</u>
CONTRIBUTIONS AND TRANSFERS			
System development fees	5,797,477	26,472,477	1,871,979
Capital asset contributions	7,866,417	222,278	10,738,079
Transfers in	-	18,349	57,000
Transfers out	(72,503)	-	-
Total contributions and transfers	<u>13,591,391</u>	<u>26,713,104</u>	<u>12,667,058</u>
Change in fund net position	12,733,179	27,430,695	11,541,419
Total net position - January 1	<u>225,930,392</u>	<u>258,126,925</u>	<u>86,809,997</u>
Total net position - December 31	<u>\$ 238,663,571</u>	<u>\$ 285,557,620</u>	<u>\$ 98,351,416</u>

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

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
\$ 11,703,687	\$ 15,631,562	\$ 58,850,409	\$ 13,610,204
11	-	320,956	-
-	25,000	564,974	-
10,092,190	-	10,092,190	-
251,319	18,709	4,221,888	2,231,632
<u>22,047,207</u>	<u>15,675,271</u>	<u>74,050,417</u>	<u>15,841,836</u>
-	-	-	10,573,458
3,502,797	17,331,652	44,133,068	-
2,749,996	783,768	16,099,173	3,016,975
<u>6,252,793</u>	<u>18,115,420</u>	<u>60,232,241</u>	<u>13,590,433</u>
<u>15,794,414</u>	<u>(2,440,149)</u>	<u>13,818,176</u>	<u>2,251,403</u>
-	4,450,988	4,450,988	-
(7,293)	(6,749)	(160,807)	(1,660)
(250)	-	(850)	213,607
(33,881)	(134,912)	(1,750,747)	-
-	-	-	-
(48)	(300)	(1,200)	-
<u>(41,472)</u>	<u>4,309,027</u>	<u>2,537,384</u>	<u>211,947</u>
<u>15,752,942</u>	<u>1,868,878</u>	<u>16,355,560</u>	<u>2,463,350</u>
3,743,138	-	37,885,071	-
6,691,800	-	25,518,574	-
-	80,000	155,349	127,096
-	(118,105)	(190,608)	-
<u>10,434,938</u>	<u>(38,105)</u>	<u>63,368,386</u>	<u>127,096</u>
26,187,880	1,830,773	79,723,946	2,590,446
<u>107,593,521</u>	<u>21,000,038</u>	<u>699,460,873</u>	<u>14,211,553</u>
<u>\$ 133,781,401</u>	<u>\$ 22,830,811</u>	<u>\$ 779,184,819</u>	<u>\$ 16,801,999</u>

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, 2021**

Change in net position total enterprise funds \$ 79,723,946

**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.

457,167

Changes in net position of business-type activities

\$ 80,181,113

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



This page left blank intentionally

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	Water	Water Resources	Stormwater
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 18,414,739	\$ 13,224,330	\$ 3,742,719
Receipts from interfund services provided	-	-	-
Payments to suppliers	(7,702,997)	(5,778,766)	(840,608)
Payments to employees	(4,473,140)	(2,428,959)	(1,847,226)
Net cash provided by (used in) operating activities	<u>6,238,602</u>	<u>5,016,605</u>	<u>1,054,885</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Cash transfers in	-	18,349	57,000
Cash transfers out	(72,503)	-	-
Interfund loans	-	84,637	-
Receipts from taxes	-	-	-
Net cash provided by (used in) non-capital financing activities	<u>(72,503)</u>	<u>102,986</u>	<u>57,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
System development fees	5,797,477	26,472,477	1,871,979
Acquisition of capital assets	(9,718,051)	(18,329,132)	(5,816,433)
Principal paid on bonds and cops payable	(1,466,000)	(2,015,000)	-
Interest paid on bonds and cops payable	(274,789)	(1,726,975)	(232,267)
Principal paid on lease purchase agreements	-	-	-
Interest paid on lease purchase agreements	-	-	-
Bond issue costs and agency fees	(552)	(300)	-
Issuance of capital debt	-	-	500,000
Proceeds from sale of capital assets	1,399,800	2,280,442	-
Net cash provided by (used in) capital and related financing activities	<u>(4,262,115)</u>	<u>6,681,512</u>	<u>(3,676,721)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	223,916	755,686	133,271
Increase in equity in pooled investments	(199,448)	(691,380)	(118,795)
Net cash provided by investing activities	<u>24,468</u>	<u>64,306</u>	<u>14,476</u>
Net increase (decrease) in cash and cash equivalents	1,928,452	11,865,409	(2,550,360)
Cash and cash equivalents - January 1	<u>13,305,596</u>	<u>4,798,998</u>	<u>8,357,402</u>
Cash and cash equivalents - December 31	<u>\$ 15,234,048</u>	<u>\$ 16,664,407</u>	<u>\$ 5,807,042</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION			
Unrestricted cash and cash equivalents	15,234,048	16,664,407	5,592,985
Restricted cash and cash equivalents	-	-	214,057
Total cash and cash equivalents	<u>\$ 15,234,048</u>	<u>\$ 16,664,407</u>	<u>\$ 5,807,042</u>

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

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
\$ 11,902,759	\$ 15,917,548	\$ 63,202,095	\$ 2,140,349
-	-	-	13,610,204
(7,022,185)	(5,608,473)	(26,953,029)	(9,919,237)
<u>(1,607,404)</u>	<u>(11,501,782)</u>	<u>(21,858,511)</u>	<u>(965,110)</u>
3,273,170	(1,192,707)	14,390,555	4,866,206
-	80,000	155,349	127,096
-	(118,105)	(190,608)	-
-	-	84,637	-
-	4,450,988	4,450,988	-
-	4,412,883	4,500,366	127,096
3,743,138	-	37,885,071	-
(2,827,705)	(43,703)	(36,735,024)	(1,290,496)
(294,000)	(410,000)	(4,185,000)	-
(39,660)	(89,376)	(2,363,067)	-
-	(132,612)	(132,612)	-
-	(9,040)	(9,040)	-
(48)	(300)	(1,200)	-
-	-	500,000	-
-	-	3,680,242	252,474
<u>581,725</u>	<u>(685,031)</u>	<u>(1,360,630)</u>	<u>(1,038,022)</u>
104,342	86,192	1,303,407	46,716
<u>(89,477)</u>	<u>(74,495)</u>	<u>(1,173,595)</u>	<u>(38,774)</u>
14,865	11,697	129,812	7,942
3,869,760	2,546,842	17,660,103	3,963,222
<u>7,578,976</u>	<u>3,652,621</u>	<u>37,693,593</u>	<u>4,827,783</u>
<u>\$ 11,448,736</u>	<u>\$ 6,199,463</u>	<u>\$ 55,353,696</u>	<u>\$ 8,791,005</u>
11,448,736	5,698,648	54,638,824	\$ 8,791,005
-	500,815	714,872	-
<u>\$ 11,448,736</u>	<u>\$ 6,199,463</u>	<u>\$ 55,353,696</u>	<u>\$ 8,791,005</u>

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, 2021

	Water	Water Resources	Stormwater
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	\$ (617,564)	\$ 2,015,896	\$ (934,421)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	6,677,492	3,362,490	2,525,427
Net income from joint venture	-	-	-
Changes in operating assets and liabilities			
(Increase) decrease in assets			
Accounts receivable	189,931	(507,174)	(538,822)
Prepaid items	(1,823)	(1,390)	(520)
Inventory	-	-	-
Equity in joint venture	-	-	-
Increase (decrease) in liabilities			
Accounts payable	69,314	159,833	(1,976)
Accrued leave	9,008	(13,050)	7,512
Unearned revenue	(129,986)	-	(2,315)
Deposits	42,230	-	-
Total adjustments	6,856,166	3,000,709	1,989,306
Net cash provided by (used in) operating activities	<u>\$ 6,238,602</u>	<u>\$ 5,016,605</u>	<u>\$ 1,054,885</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contributed infrastructure	\$ 7,866,417	\$ 222,278	\$ 10,738,079
Payables incurred for purchase of capital assets	(664,312)	(307,821)	(566,372)
Amortization of premium, discount and deferred loss on refunding	(56,300)	(533,353)	-
Decrease in fair value of investments	(248,838)	(862,588)	(148,212)
Noncash investing, capital and financing activities	<u>\$ 6,896,967</u>	<u>\$ (1,481,484)</u>	<u>\$ 10,023,495</u>

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

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
\$ 15,794,414	\$ (2,440,149)	\$ 13,818,176	\$ 2,251,403
2,749,996	783,768	16,099,173	3,016,975
(10,092,190)	-	(10,092,190)	-
(22,747)	49,566	(829,246)	(101,528)
75	2,633	(1,025)	(218,509)
-	8,377	8,377	-
(5,109,483)	-	(5,109,483)	-
(17,755)	14,409	223,825	(96,171)
370	195,971	199,811	3,792
(29,510)	217,434	55,623	10,244
-	(24,716)	17,514	-
(12,521,244)	1,247,442	572,379	2,614,803
<u>\$ 3,273,170</u>	<u>\$ (1,192,707)</u>	<u>\$ 14,390,555</u>	<u>\$ 4,866,206</u>
\$ 6,691,800	\$ -	\$ 25,518,574	\$ -
(259,901)	(255,255)	(2,053,661)	-
(5,044)	38,267	(566,430)	-
(111,635)	(92,941)	(1,464,214)	(48,376)
<u>\$ 6,315,220</u>	<u>\$ (309,929)</u>	<u>\$ 21,444,269</u>	<u>\$ (48,376)</u>

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



This page left blank intentionally

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, 2021

	Pension Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ -	\$ 360,383
Affiliated local plan pool	1,052,960	-
Accounts receivable	-	51,273
Total assets	<u>1,052,960</u>	<u>411,656</u>
LIABILITIES		
Accounts payable	-	505
Due to organizations and other governments	-	411,151
Total liabilities	<u>-</u>	<u>411,656</u>
NET POSITION		
Restricted for:		
Pensions	<u>1,052,960</u>	<u>-</u>
Total net position	<u>\$ 1,052,960</u>	<u>\$ -</u>

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, 2021**

	Pension Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
Town of Castle Rock	\$ 20,440	\$ -
State funding	35,270	-
Total contributions	<u>55,710</u>	<u>-</u>
Investment earnings	147,748	-
Less investment expense	(14,336)	-
Net investment earnings	<u>133,412</u>	<u>-</u>
Fee and permit collections for organizations and other governments	-	987,019
Tax collections for other governments	-	1,882,980
Total additions	189,122	2,869,999
DEDUCTIONS		
Benefits paid to participants or beneficiaries	109,924	-
Payments of fees and permits to organizations and other governments	-	985,833
Payments of taxes to other governments	-	1,763,306
Payments of refunds	-	113,674
Administrative expense	-	7,186
Total deductions	<u>109,924</u>	<u>2,869,999</u>
Net increase in fiduciary net position	79,198	-
Net position - January 1	<u>973,762</u>	<u>-</u>
Net position - December 31	<u>\$ 1,052,960</u>	<u>\$ -</u>

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



This page left blank intentionally

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, 2021**

	Castle Rock Downtown Development Authority	Miller's Landing Business Improvement District	Total
ASSETS			
Cash and cash equivalents	\$ 802,032	\$ 78,784	\$ 880,816
Restricted cash and cash equivalents	-	5,404,741	5,404,741
Receivables			
Property taxes	201,116	22,355	223,471
Accounts	50,000	-	50,000
Other	-	592	592
Capital assets			
Construction in progress	-	14,132,362	14,132,362
Buildings and improvements	124,532	-	124,532
Machinery and equipment	-	-	-
Accumulated depreciation	(111,357)	-	(111,357)
Total assets	<u>1,066,323</u>	<u>19,638,834</u>	<u>20,705,157</u>
LIABILITIES			
Accrued liabilities	5,038	940,706	945,744
<i>Noncurrent liabilities:</i>			
Due beyond one year	-	25,438,790	25,438,790
Total liabilities	<u>5,038</u>	<u>26,379,496</u>	<u>26,384,534</u>
DEFERRED INFLOWS OF RESOURCES			
Property tax	201,116	22,355	223,471
Total deferred inflows of resources	<u>201,116</u>	<u>22,355</u>	<u>223,471</u>
NET POSITION			
Net investment in capital assets	13,175	(5,260,382)	(5,247,207)
Restricted for emergency reserves	9,400	900	10,300
Restricted for debt service	-	1,965,206	1,965,206
Unrestricted (deficit)	837,594	(3,468,741)	(2,631,147)
Total net position (deficit)	<u>\$ 860,169</u>	<u>\$ (6,763,017)</u>	<u>\$ (5,902,848)</u>

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, 2021**

	Castle Rock Downtown Development Authority	Miller's Landing Business Improvement District	Total
EXPENSES	\$ 386,629	\$ 2,159,922	\$ 2,546,551
PROGRAM REVENUES			
Charges for services	82,861	-	82,861
Sponsorships	11,333	-	11,333
Grants and donations	175,858	-	175,858
Total program revenues	<u>270,052</u>	<u>-</u>	<u>270,052</u>
Net expenses	(116,577)	(2,159,922)	(2,276,499)
GENERAL REVENUES			
Taxes			
Property taxes	234,980	15,715	250,695
Other taxes	-	157,613	157,613
Investment and interest earnings	-	372	372
Other	36,406	-	36,406
Total general revenues	<u>271,386</u>	<u>173,700</u>	<u>445,086</u>
Changes in net position	154,809	(1,986,222)	(1,831,413)
Net position (deficit) - January 1, as previously reported	705,360	(5,060,328)	(4,354,968)
Net effect of restated retainage payable	-	283,533	283,533
Net position (deficit) - January 1, as restated	<u>705,360</u>	<u>(4,776,795)</u>	<u>(4,071,435)</u>
Net position (deficit) - December 31	<u>\$ 860,169</u>	<u>\$ (6,763,017)</u>	<u>\$ (5,902,848)</u>

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

Notes to the Basic Financial Statements

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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. Current Economic Uncertainties
21. Subsequent Events

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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 Town's elected Council is responsible for adopting the GID's annual budget during years of activity. The GID is reported as a special revenue fund, however, there was no activity in the GID for the year ended December 31, 2021.

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

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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 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 Annual Comprehensive 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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Statement Presentation (continued)

Governmental Funds (continued)

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.

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.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. Financial Statement Presentation (continued)

Fiduciary Funds (continued)

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 measurable 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.

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. The Town has cash in escrow at Douglas County for the Open Space Shareback totaling \$1,686,520 and at a third-party title company for a transportation capital project in its warranty period totaling \$18,581.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Receivables

Receivables are reported net of an allowance for uncollectible accounts, where applicable. The allowance of \$272,938 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.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

K. Accounts Payable

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

	Governmental Activities	Business-type Activities
Vendors	\$ 5,921,014	\$ 3,550,100
Salaries and benefits	905,243	406,331
Total	<u>\$ 6,826,257</u>	<u>\$ 3,956,431</u>

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. In the governmental fund financial statements, fund balances are classified as follows:

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Fund Balance and Net Position (continued)

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.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Deferred Outflows/Inflows of Resources (continued)

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.

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.

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 \$47,741,252 difference relating to governmental activities long-term liabilities are as follows:

2013 Sales and use tax bonds	\$	1,075,000
2016 Sales and use tax bonds		5,410,000
2020 Sales and use tax bonds		18,550,000
2013 Certificates of participation		6,345,000
2020 Certificates of participation		8,485,000
Accrued leave, excluding internal service funds of \$73,546		5,540,678
Debt premiums and discounts		2,230,363
Accrued interest payable		105,211
Net adjustments to governmental funds		
fund balances to arrive at net position for		
governmental activities	\$	<u>47,741,252</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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 \$1,093,510 difference are as follows:

Principal payments		
2013 Sales and use tax bonds	\$	515,000
2016 Sales and use tax bonds		665,000
2013 Certificates of participation		400,000
Amortization of bond premium		217,390
Amortization of refunding loss		(59,966)
Accrued interest on debt		107,535
Net increase in accrued leave		(751,449)
		<hr/>
Net adjustments to governmental fund revenues and expenditures to arrive at the change in net position for governmental activities.	\$	<u>1,093,510</u>

3. DEPOSITS AND INVESTMENTS

A reconciliation of the Town’s deposit and investment balances as of December 31, 2021 by type to the Statement of Net Position is below.

Summary of Deposit and Investment Balances

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Carrying Value				
Petty Cash	\$ 15,475	\$ 6,115	\$ -	\$ 21,590
Deposits	84,790,689	35,972,999	360,383	121,124,071
Investments	61,604,785	87,678,081	1,052,960	150,335,826
Total	<hr/> \$ 146,410,949	<hr/> \$ 123,657,195	<hr/> \$ 1,413,343	<hr/> \$ 271,481,487
Included in the Statements of Net Position				
Cash and cash equivalents	\$ 107,547,219	\$ 54,638,824	\$ -	\$ 162,186,043
Investments	35,731,767	68,303,499	1,052,960	105,088,226
Restricted cash and cash equivalents	3,131,963	714,872	360,383	4,207,218
Total	<hr/> \$ 146,410,949	<hr/> \$ 123,657,195	<hr/> \$ 1,413,343	<hr/> \$ 271,481,487

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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, 2021, the Town's investments in any one issuer greater than five percent of the Town's total investments include the following:

<u>Issuer</u>	<u>Percent of total investments</u>
U.S. Treasury	21.75%
Federal Home Loan Banks (FHLB)	12.80%
Federal National Mortgage (FNMA)	9.01%
Federal Farm Credit Banks (FFCB)	6.86%
Federal Home Loan Mortgage Corporation (FHLMC)	6.62%

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, 2021, the Town's cash deposits had a carrying value of \$121,124,071 and a corresponding bank balance of \$122,795,021 of which \$1,001,500 was FDIC insured and \$121,793,521 was collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

3. DEPOSITS AND INVESTMENTS (continued)

B. Town Deposit and Investment Policies (continued)

Investments (continued)

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.

The Town's investments on December 31, 2021 were as follows:

Investment Type	Standard & Poors Rating	INVESTMENT MATURITIES (In Years)			Fair Value	Net Asset per Share
		Less Than 1	1-5			
U.S. Treasuries	AA+	\$ 8,553,147	\$ 23,909,712	\$ 32,462,859	\$ -	
U.S Agencies	AA+	15,495,326	37,195,989	52,691,315	-	
Municipal/Provincial Bonds	AAA - AA-	4,494,875	5,507,699	10,002,574	-	
Corporate Bonds	AAA - A+	6,323,455	2,555,063	8,878,518	-	
Investment Pools						
Local Government Investment Pool *	AAAM	45,247,600	-	-	45,247,600	
Pension Trust Affiliated Local Plan Pool	NR	1,052,960	-	-	1,052,960	
Total		\$ 81,167,363	\$ 69,168,463	\$ 104,035,266	\$ 46,300,560	

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

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

3. DEPOSITS AND INVESTMENTS (continued)

B. Town Deposit and Investment Policies (continued)

Investments (continued)

Local Government Investment Pool – At December 31, 2021 the Town had \$45,247,600 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, 2021 the Town had \$1,052,960 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.

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, 2021:

Investment by Fair Value Level	December 31, 2021	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
U.S. Treasuries	\$ 32,462,859	\$ -	\$ 32,462,859	\$ -
U.S Agencies	52,691,315	-	52,691,315	-
Municipal Bonds	10,002,574	-	10,002,574	-
Corporate Bonds	8,878,518	-	8,878,518	-
Total investments by fair value level	104,035,266	\$ -	\$ 104,035,266	\$ -
Investment Measured at Net Asset Value (NAV)				
Local Government Investment Pool	45,247,600			
Pension Trust Affiliated Local Plan Pool	1,052,960			
Total investments measured at the NAV	46,300,560			
Total investments	\$ 150,335,826			

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

4. RESTRICTED ASSETS

Restricted Cash and Cash Equivalents

<u>Fund</u>	<u>Purpose</u>	<u>Balance December 31, 2021</u>
Governmental activities		
General	Advance grant proceeds	\$ 2,851,550
General - Economic Development	Agreement	40,000
Transportation	Advance grant proceeds	240,413
	Total Governmental activities	<u>\$ 3,131,963</u>
Business-type activities		
Stormwater	Unspent note proceeds	\$ 214,057
Golf	2015 Revenue Refunding and Improvement Bonds Debt Service Reserve	500,815
	Total Business-type Activities	<u>\$ 714,872</u>
	Total Restricted Cash and Cash Equivalents	<u>\$ 3,846,835</u>

General Fund

The restricted cash in the General Fund relates to unearned grant revenue associated with advance State and Local Fiscal Recovery Funds (SLFRF) received on May 21, 2021 in the amount of \$2,851,550.

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 for the actual cost incurred by CDFC for the design and construction of the Plaza. The balance at December 31, 2021 is \$40,000 to be used to pay amounts in Accounts Payable at year end.

Transportation Fund

The restricted cash in the Transportation Fund relates to unearned grant revenue associated with State and Local Fiscal Recovery Funds (SLFRF) passed through the Highway User Tax Fund (HUTF) on September 27, 2021 in the amount of \$240,413.

Stormwater Fund

The restricted cash in the Stormwater Fund relates to unspent note proceeds of \$214,057 as of December 31, 2021.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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 CORE Electric Cooperative formerly known as Intermountain Rural Electric Association (IREA). The Town is allowed a percentage of the previous year's CORE 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. CORE uses this allotment to apply against expenses incurred if the Town deems it necessary to change the location or nature of any CORE 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, 2021 is \$1,204,225.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

6. CAPITAL ASSETS

Changes in Capital Asset Activity for the Year Ended December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Governmental activities					
Capital assets not being depreciated					
Land	\$ 68,288,705	\$ 7,404,918	\$ -	\$ -	\$ 75,693,623
Artwork	293,733	-	-	-	293,733
Construction in progress	13,198,403	9,675,161	-	(2,599,536)	20,274,028
Easements	4,305,812	97,601	-	-	4,403,413
Right of way	10,314,094	2,361,025	-	-	12,675,119
Total capital assets, not being depreciated	<u>96,400,747</u>	<u>19,538,705</u>	<u>-</u>	<u>(2,599,536)</u>	<u>113,339,916</u>
Capital assets being depreciated					
Buildings and improvements	68,826,401	9,518,609	(12,032)	2,286,397	80,619,375
Infrastructure	405,180,415	15,393,456	(28,258)	100,955	420,646,568
Other structures and improvements	64,645,856	714,626	(315,809)	206,737	65,251,410
Machinery and equipment	41,122,522	3,013,200	(1,303,725)	5,447	42,837,444
Total capital assets being depreciated	<u>579,775,194</u>	<u>28,639,891</u>	<u>(1,659,824)</u>	<u>2,599,536</u>	<u>609,354,797</u>
Less accumulated depreciation					
Buildings and improvements	(18,059,489)	(1,881,579)	12,032	-	(19,929,036)
Infrastructure	(178,420,608)	(12,729,156)	-	-	(191,149,764)
Other structures and improvements	(39,026,604)	(2,973,009)	313,444	-	(41,686,169)
Machinery and equipment	(28,106,550)	(4,279,440)	1,243,845	-	(31,142,145)
Total accumulated depreciation	<u>(263,613,251)</u>	<u>(21,863,184)</u>	<u>1,569,321</u>	<u>-</u>	<u>(283,907,114)</u>
Total capital assets, being depreciated, net	<u>316,161,943</u>	<u>6,776,707</u>	<u>(90,503)</u>	<u>2,599,536</u>	<u>325,447,683</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 412,562,690</u>	<u>\$ 26,315,412</u>	<u>\$ (90,503)</u>	<u>\$ -</u>	<u>\$ 438,787,599</u>
Depreciation expense charged to functions					
Governmental activities					
General government		\$ 1,230,344			
Public safety		661,525			
Public works		13,911,315			
Culture and recreation		3,043,025			
Fleet internal service fund		3,016,975			
Total governmental activities depreciation expense		<u>\$ 21,863,184</u>			

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

6. CAPITAL ASSETS (continued)

Changes in Capital Asset Activity for the Year Ended December 31, 2021

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Business-type activities					
Capital assets not being depreciated					
Land	\$ 18,785,530	\$ 3,828,621	\$ -	\$ -	\$ 22,614,151
Construction in progress	112,417,841	2,480,580	(2,281,192)	(43,083,314)	69,533,915
Easements	13,930,942	1,213,436	-	-	15,144,378
Right of way	244,469	-	-	-	244,469
Water rights	98,141,356	10,518,339	(1,399,800)	10,642,996	117,902,891
Total capital assets, not being depreciated	<u>243,520,138</u>	<u>18,040,976</u>	<u>(3,680,992)</u>	<u>(32,440,318)</u>	<u>225,439,804</u>
Capital assets being depreciated					
Buildings and improvements	40,512,245	3,404,225	(433,620)	26,368,947	69,851,797
Infrastructure	450,335,655	28,051,083	(886,313)	2,504,681	480,005,106
Other structures and improvements	6,994,126	2,020,207	-	3,566,690	12,581,023
Machinery and equipment	8,202,197	8,891,145	(95,296)	-	16,998,046
Water rights - definite life	72,775,893	233,750	-	-	73,009,643
Total capital assets being depreciated	<u>578,820,116</u>	<u>42,600,410</u>	<u>(1,415,229)</u>	<u>32,440,318</u>	<u>652,445,615</u>
Less accumulated depreciation					
Buildings and improvements	(11,432,231)	(1,682,048)	433,520	-	(12,680,759)
Infrastructure	(146,851,765)	(11,743,358)	886,313	-	(157,708,810)
Other structures and improvements	(3,127,909)	(744,370)	-	-	(3,872,279)
Machinery and equipment	(5,202,192)	(1,349,615)	75,796	-	(6,476,011)
Water rights - definite life	(21,142,197)	(579,782)	-	-	(21,721,979)
Total accumulated depreciation	<u>(187,756,294)</u>	<u>(16,099,173)</u>	<u>1,395,629</u>	<u>-</u>	<u>(202,459,838)</u>
Total capital assets, being depreciated, net	<u>391,063,822</u>	<u>26,501,237</u>	<u>(19,600)</u>	<u>32,440,318</u>	<u>449,985,777</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 634,583,960</u>	<u>\$ 44,542,213</u>	<u>\$ (3,700,592)</u>	<u>\$ -</u>	<u>\$ 675,425,581</u>
Depreciation expense charged to functions					
Business-type activities					
Water		\$ 6,677,492			
Water Resources		3,362,490			
Stormwater		2,525,427			
Wastewater		2,749,996			
Golf Course		254,671			
Development Services		132,344			
Community Center		396,753			
Total business-type activities depreciation expense		<u>\$ 16,099,173</u>			

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021, the Town had an equity interest in PCWRA of \$43,964,320. This represents an 86.5% interest in the net position of the PCWRA. During 2021, PCWRA charged the Town \$2,695,840 for the treatment of wastewater. The Town also paid to PCWRA \$2,413,643 which represents the Town’s share of debt service payments for the previous treatment plant expansion.

Investment balance January 1	\$	28,762,647
Net income from joint venture		10,092,190
Town contributions		<u>5,109,483</u>
Investment balance December 31	\$	<u><u>43,964,320</u></u>

8. SHORT-TERM DEBT

Short-term debt activity for the year ended December 31, 2021, was as follows:

	Balance January 1, 2021	Issued	Repaid	Balance December 31, 2021
Governmental activities				
Downtown Development Authority				
Line of Credit	\$ 782,327	\$ 535,425	\$ (1,317,752)	\$ -

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 2021, the Town had an approved Line of Credit for \$1,000,000 maturing on March 1, 2022 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, 2021 the Town has unused line of credit in the amount of \$1,000,000.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

9. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended December 31, 2021:

	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	\$ 1,590,000	\$ -	\$ (515,000)	\$ 1,075,000	\$ 525,000	\$ 550,000
2016 Sales and use tax	6,075,000	-	(665,000)	5,410,000	690,000	4,720,000
2020 Sales and use tax	18,550,000	-	-	18,550,000	-	18,550,000
Certificates of participation						
2013 COPs	6,745,000	-	(400,000)	6,345,000	415,000	5,930,000
2020 COPs	8,485,000	-	-	8,485,000	-	8,485,000
Bond/COP premiums & discounts	2,447,753	-	(217,390)	2,230,363	-	2,230,363
Accrued leave *	4,858,984	3,564,470	(2,809,230)	5,614,224	2,987,284	2,626,940
Net pension liability **	203,737	173,900	(203,737)	173,900	-	173,900
Total governmental activities	\$ 48,955,474	\$ 3,738,370	\$ (4,810,357)	\$ 47,883,487	\$ 4,617,284	\$ 43,266,203
Business-type activities						
Bonds payable						
2012 Water & Wastewater	\$ 3,795,000	\$ -	\$ (1,225,000)	\$ 2,570,000	\$ 1,255,000	\$ 1,315,000
2015 Water & Wastewater	3,535,000	-	(535,000)	3,000,000	555,000	2,445,000
2015 Golf Course	3,125,000	-	(410,000)	2,715,000	420,000	2,295,000
2016 Water & Wastewater	40,510,000	-	(2,015,000)	38,495,000	2,070,000	36,425,000
Bond premiums & discounts	7,881,032	-	(686,686)	7,194,346	-	7,194,346
Notes and leases from direct borrowings and direct placements						
	9,243,389	500,000	(132,612)	9,610,777	1,010,777	8,600,000
Accrued leave	1,751,764	1,281,154	(1,081,343)	1,951,575	1,065,426	886,149
Total business-type activities	\$ 69,841,185	\$ 1,781,154	\$ (6,085,641)	\$ 65,536,698	\$ 6,376,203	\$ 59,160,495

* 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.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

9. LONG-TERM LIABILITIES (continued)

A. Revenue Bonds (continued)

The amount of debt outstanding in escrow at December 31, 2021 is \$16,425,000. As of December 31, 2021, future payments of principal and interest on the unrefunded Series 2013 Bonds total \$1,114,563. 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, 2021 revenues of \$28,833,679 were available to pay annual debt service of \$555,919.

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, 2021, future payments of principal and interest total \$6,333,525. 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, 2021 revenues of \$28,833,679 were available to pay annual debt service of \$909,500.

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, 2021, future payments of principal and interest total \$22,154,183. 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, 2021 revenues of \$28,833,679 were available to pay annual debt service of \$415,738.

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, 2021, net pledged revenues of \$65,856,699 were available to pay annual debt service of \$2,074,450 for the bonds. As of December 31, 2021, future payments of principal and interest, on the 2012 bonds total \$2,764,250 and the 2015 bonds total \$3,439,900.

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, 2021, future payments of principal and interest total \$51,278,500. 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, 2021, net pledged revenues of \$65,856,699 were available to pay annual debt service of \$3,741,975.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

9. LONG-TERM LIABILITIES (continued)

A. Revenue Bonds (continued)

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, 2021, net pledged revenues of \$1,098,824 were available to pay annual debt service of \$499,375. As of December 31, 2021 the outstanding balance, including principal and interest was \$2,993,135.

Revenue Bonds Outstanding at December 31, 2021

<u>Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Principal Amount</u>
Governmental Activities			
2013 Sales and Use Tax Bonds	6/ 1/ 2035	1.50% - 5.00%	\$ 1,075,000
2016 Sales and Use Tax Bonds	6/ 1/ 2028	2.00% - 5.00%	5,410,000
2020 Sales and Use Tax Bonds	6/ 1/ 2035	1.03% - 2.42%	18,550,000
Total governmental activities			<u>\$ 25,035,000</u>
Business-type Activities			
2012 Water and Wastewater Revenue Refunding Bonds	12/ 1/ 2023	2.00% - 5.00%	\$ 2,570,000
2015 Water and Wastewater Revenue Refunding Bonds	12/ 1/ 2026	2.00% - 5.00%	3,000,000
2015 Golf Course Revenue Refunding and Improvement Bonds Revenue Bonds	12/ 1/ 2027	2.86%	2,715,000
2016 Water and Wastewater Revenue Refunding Bonds	12/ 1/ 2034	1.50% - 5.00%	38,495,000
Total business-type activities			<u>\$ 46,780,000</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

9. LONG-TERM LIABILITIES (continued)

A. Revenue Bonds (continued)

Revenue Bond Debt Service Requirements to Maturity

Year	Government-type Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2022	\$ 1,215,000	\$ 608,349	\$ 4,300,000	\$ 2,036,049
2023	1,260,000	567,224	4,505,000	1,861,837
2024	730,000	536,424	3,350,000	1,651,646
2025	1,665,000	502,749	3,545,000	1,493,669
2026	1,800,000	452,840	3,730,000	1,326,263
2027-2031	9,760,000	1,496,553	15,945,000	4,399,121
2032-2035	8,605,000	403,131	11,405,000	927,200
	<u>\$ 25,035,000</u>	<u>\$ 4,567,271</u>	<u>\$ 46,780,000</u>	<u>\$ 13,695,785</u>

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, 2021

<u>Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Principal Amount</u>
Governmental Activities			
2013 Parks and Recreation COPs	12/ 1/ 2033	2.0% - 5.0%	\$ 6,345,000
2020 Parking Fund COPs	12/ 1/ 2048	4.0%	8,485,000
Total governmental activities			<u>\$ 14,830,000</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

9. LONG-TERM LIABILITIES (continued)

B. Certificates of Participation (continued)

COPs Debt Service Requirements to Maturity

Government-type Activities		
Year	Principal	Interest
2022	\$ 415,000	\$ 633,813
2023	430,000	617,213
2024	450,000	600,013
2025	465,000	582,013
2026	485,000	562,250
2027-2031	2,785,000	2,448,675
2032-2036	3,430,000	1,677,500
2037-2041	2,820,000	1,013,000
2042-2046	2,350,000	535,600
2047-2048	1,200,000	72,600
	<u>\$ 14,830,000</u>	<u>\$ 8,742,675</u>

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, 2021:

Notes and leases from Direct Borrowings and Placements

	Amount Issued	Amount Outstanding
Business-type activities		
2019 Golf Course Carts Lease Purchase Agreement	\$ 424,228	\$ 110,777
Total Lease Purchase Agreements	<u>424,228</u>	<u>110,777</u>
2019 Stormwater Notes Payable	<u>9,500,000</u>	<u>9,500,000</u>
Total Notes and leases from Direct Borrowings and Placements	<u>\$ 9,924,228</u>	<u>\$ 9,610,777</u>

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 \$424,228 less accumulated depreciation of \$335,436. The present values of the minimum lease payments are as follows:

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

9. LONG-TERM LIABILITIES (continued)

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

Present Value of Minimum Lease Payments

<u>Year</u>	<u>Business-type Activities</u>
2022	114,773
<hr/>	
Total Minimum Lease Payments	114,773
Less: amount representing interest	(3,996)
<hr/>	
Present value of minimum lease payments	<u>\$ 110,777</u>

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, 2021 the Town has received all \$9,500,000 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 drew funds based on the following schedule.

<u>Date</u>	<u>Amount</u>
December 19, 2019 (Closing)	\$ 4,500,000
September 30, 2020	4,500,000
September 30, 2021	500,000
<hr/>	
Total	<u>\$ 9,500,000</u>

Notes Payable Debt Service Requirements to Maturity

<u>Year</u>	<u>Business-type Activities</u>		<u>Totals</u>
	<u>Principal</u>	<u>Interest</u>	
2022	\$ 900,000	\$ 182,400	\$ 1,082,400
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	1,060,000	107,424	1,167,424
2027-2030	4,535,000	220,416	4,755,416
<hr/>		<hr/>	<hr/>
	<u>\$ 9,500,000</u>	<u>\$ 948,960</u>	<u>\$ 10,448,960</u>

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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 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 \$1,133,978 and \$1,750,747 was charged to governmental type and business type funds, respectively, for the year ended December 31, 2021.



This page left blank intentionally

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

10. FUND BALANCE

	Non-major Special Revenue Funds									
	General	Transportation	Transportation Capital	Conservation Trust	P.S. Miller	Public Art	Police Forfeiture	DDA TIF	Castle Rock Urban Renewal Authority	
Nonspendable	\$ 2,562,431	\$ 71,774	\$ -	\$ 2,054	\$ 1,478	\$ -	\$ -	\$ -	\$ -	\$ -
Prepaid Items	512,490	71,774	-	2,054	1,478	-	-	-	-	-
Loans to other funds (long-term portion)	2,049,941	-	-	-	-	-	-	-	-	-
Restricted	\$ 14,132,450	\$ 5,882,140	\$ 29,846,690	\$ 226,816	\$ -	\$ -	\$ 22,012	\$ -	\$ -	\$ -
TABOR Reserve	2,780,900	-	-	-	-	-	-	-	-	-
TABOR Excess	8,500,000	5,641,727	-	-	-	-	-	-	-	-
Advance grant payments received, not earned	2,851,550	240,413	-	-	-	-	-	-	-	-
Grants earned, not spent	-	-	-	-	-	-	22,012	-	-	-
Impact Fees	-	-	29,846,690	-	-	-	-	-	-	-
Lottery Funds	-	-	-	226,816	-	-	-	-	-	-
Committed	\$ 6,990,816	\$ 16,581,465	\$ -	\$ 4,297,135	\$ 306,302	\$ 96,426	\$ -	\$ 1,401,903	\$ -	\$ -
Council designation of revenue sources	-	16,581,465	-	4,297,135	306,302	96,426	-	1,401,903	-	-
Contractual Obligations	425,522	-	-	-	-	-	-	-	-	-
Economic Development	5,533,095	-	-	-	-	-	-	-	-	-
Parking Fund	1,032,199	-	-	-	-	-	-	-	-	-
Assigned	\$ 2,797,363	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Carryforward	2,797,363	-	-	-	-	-	-	-	-	-
Unassigned	\$ 20,592,991	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (22,916)
Cash reserve policy	13,186,810	-	-	-	-	-	-	-	-	-
Unappropriated	7,406,181	-	-	-	-	-	-	-	-	(22,916)
Total Fund Balance	\$ 47,076,051	\$ 22,535,379	\$ 29,846,690	\$ 4,526,005	\$ 307,780	\$ 96,426	\$ 22,012	\$ 1,401,903	\$ -	\$ (22,916)

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,532	\$ 2,637,737	
-	-	-	-	-	3,532	587,796	
-	-	-	-	-	-	2,049,941	
\$ 13,636,516	\$ 1,723,001	\$ 1,377,716	\$ -	\$ -	\$ 16,986,061	\$ 66,847,341	
-	-	-	-	-	-	2,780,900	
-	-	500,000	-	-	500,000	14,641,727	
-	-	-	-	-	-	3,091,963	
-	-	-	-	-	22,012	22,012	
13,636,516	1,723,001	877,716	-	-	16,237,233	46,083,923	
-	-	-	-	-	226,816	226,816	
\$ -	\$ 21,634	\$ -	\$ -	\$ 5,994,330	\$ 12,117,730	\$ 35,690,011	
-	21,634	-	-	5,994,330	12,117,730	28,699,195	
-	-	-	-	-	-	425,522	
-	-	-	-	-	-	5,533,095	
-	-	-	-	-	-	1,032,199	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,797,363	
-	-	-	-	-	-	2,797,363	
\$ -	\$ -	\$ -	\$ (272,749)	\$ -	\$ (295,665)	\$ 20,297,326	
-	-	-	-	-	-	13,186,810	
-	-	-	(272,749)	-	(295,665)	7,110,516	
\$ 13,636,516	\$ 1,744,635	\$ 1,377,716	\$ (272,749)	\$ 5,994,330	\$ 28,811,658	\$ 128,269,778	

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS

Town employees are covered under one of the five different pension plans, depending on occupation. Four of the plans are the General Employee Plan, Sworn Police Officers Plan, Sworn Police Officers Statewide Defined Benefit 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 one police pension plan, 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 Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Police	\$ -	\$ 466,336	\$ -	\$ -
FPPA SWDB - Fire	(2,409,475)	4,220,401	2,845,842	674,728
Volunteer Firefighter	173,900	20,440	63,116	23,974
Totals	\$ (2,235,575)	\$ 4,707,177	\$ 2,908,958	\$ 698,702

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 and Police Pension Plans and additions to/deductions from the Fire and Police Pension Plans fiduciary net position 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. E. Sworn Police Officers are excluded from the plan and are covered by separate plans, as described in 11. C & D. For 2021, 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.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

11. PENSION PLANS (continued)

A. General Employee Plan (continued)

Employer contributions are funded by the governmental and proprietary funds. The Town's contributions for 2021 were \$2,013,580. Town employees' mandatory contributions for 2021 were \$1,116,326.

Plan provisions and contribution requirements are established and administered by Mission Square Retirement 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, 2021 were \$38,692, equal to the required contributions. Plan provisions and contribution requirements are established and administered by Mission Square Retirement 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 2021, 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 2021 were \$241,699. Town employees' mandatory contributions for 2021 were \$157,248.

Plan provisions and contribution requirements are established and administered by Mission Square Retirement and may be amended with the approval of Town Council.

D. Sworn Police Officers – Statewide Defined Benefit Plan

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. The Town of Castle Rock's full-time sworn police officers who chose to opt into the plan, as well as full-time sworn police officers hired after entry into the plan, are members of the 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. 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 Annual Comprehensive Financial Report can be obtained on FPPA's website at: www.fppaco.org/annual-reports.html.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

11. PENSION PLANS (continued)

D. Sworn Police Officers - Statewide Defined Benefit Plan (continued)

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

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Benefits adjustments 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.

(c) Contributions

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

Members of the SWDB plan and their employers are contributing at the rate of 11.5% and 8.5%, respectively, of base salary for the total contribution rate of 20.0% in 2021. Reentry members of the SWDB plan and their employers are contributing at a combined contribution rate of 23.5% in 2021, 4% above non-reentry groups. It is a local decision as to whether the member or employer pays the additional 4%. For full-time sworn police officers who opted to enter into the plan, member and employer contributions rates are 10.25% and 13.25%, respectively, of base salary for the total contribution rate of 23.5% in 2021. For sworn police officers hired after entry into the plan, member and employer contributions rates are 11.5% and 8.5%, respectively, of base salary for the total contribution rate of 20.0% in 2021, and a 1.60% continuing rate of contribution split 50/50 between employer and member. 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. Employer contributions will increase 0.5% annually beginning in 2021 through 2030.

The Town's contributions to the SWDB Police Plan for 2021 were \$466,336, equal to the required contribution for the year.

(d) Pension Liability (asset)

A net pension liability (asset) will not be recognized until year ending December 31, 2022 due to FPPA's measurement period having a one-year lag.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

D. Sworn Police Officers - Statewide Defined Benefit Plan (continued)

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

At December 31, 2021, the Town reported deferred outflows of resources related to pensions from the following source:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Town contributions subsequent to the measurement date	\$ 466,336	\$ -
Total	<u>\$ 466,336</u>	<u>\$ -</u>

The \$466,336 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 liability (asset) in the year ended December 31, 2022.

E. Fire Employees - Statewide Defined Benefit Plan

(a) Plan Description

All full-time firefighters of the Town are members of the Statewide Defined Benefit (SWDB) Plan and the Statewide Death and Disability Plan. Reference note 11.D.(A) for the SWDB plan description.

(b) Description of Benefits

Reference note 11.D.(b) for a description of benefits of the SWDB plan.

(c) Contributions

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

Members of the SWDB plan and their employers are contributing at the rate of 11.5% and 8.5%, respectively, of base salary for the total contribution rate of 20.0% in 2021. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions will increase 0.5% annually beginning in 2021 through 2030 to a total of 13.0% of pensionable earnings.

The Town's contribution to the SWDB for the year ending December 31, 2021 was \$733,443, equal to the required contribution for the year.

(d) Pension Asset

At December 31, 2021, the Town reported an asset of \$2,409,475 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020 and the total pension liability used to calculate the net pension asset was determined based upon the January 1, 2021 actuarial valuation, which was unchanged from December 31, 2020.

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, 2020, was 1.110%, which was an increase of 0.136% from its proportion measured as of December 31, 2019.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

E. Fire Employees - Statewide Defined Benefit Plan (continued)

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

For the year ended December 31, 2021, the Town recognized pension expense for the SWDB of \$674,728. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,043,472	\$ 9,584
Changes in assumptions	1,024,786	-
Net difference between projected and actual investment earnings	-	2,474,877
Changes in proportion and differences between Town contributions and proportionate share of contributions	418,701	361,381
Town contributions subsequent to the measurement date	733,443	-
Total	<u>\$ 4,220,401</u>	<u>\$ 2,845,842</u>

The \$733,443 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, 2022. 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
2022	\$ (260,803)
2023	60,203
2024	(356,167)
2025	69,468
2026	462,130
Thereafter	666,285
Total	<u>\$ 641,116</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

E. Fire Employees - Statewide Defined Benefit Plan (continued)

(f) Actuarial Assumptions

The January 1, 2021 actuarial valuation, based on the most recent actuarial study completed in 2018, 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 or benefit terms since the prior valuation.

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Cash	2%	2.32%
Fixed Income - Rates	10%	4.01%
Fixed Income – Credit	5%	5.25%
Absolute Return	10%	5.60%
Equity Long/Short	8%	6.87%
Global Equity	39%	8.23%
Private Markets	26%	10.63%
Total	<u>100%</u>	

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

E. Fire Employees - Statewide Defined Benefit Plan (continued)

(g) Discount Rate

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

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)	\$ 2,424,759	\$ (2,409,475)	\$ (6,412,824)

(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).

F. 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 Annual Comprehensive 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.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

F. Volunteer Firefighters' Pension Plan (continued)

(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, 2021, 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, 2021, the Town and State contributions were \$20,440 and \$17,635 respectively. The 2020 State contribution of \$17,635 was received in January 2021 as well as the 2021 contribution was received in November 2021.

(c) Members Covered by Benefit Terms

Membership covered by benefit terms at December 31, 2021:

Retirees and Beneficiaries	20
Active Members	1
Total	21

(d) Pension Liability

At December 31, 2021, the Town reported a net pension liability of \$173,900. The net pension liability was measured as of December 31, 2020. The total pension liability used to calculate the net pension liability was determined based upon the January 1, 2021 actuarial valuation, which was unchanged from December 31, 2020.

(e) Actuarial Assumptions

The January 1, 2021 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	<p>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.</p> <p>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.</p> <p>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.</p>

No changes in assumptions.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

11. PENSION PLANS (continued)

F. Volunteer Firefighters' Pension Plan (continued)

(e) Actuarial Assumptions (continued)

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. 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, 2020 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected Rate of Return</u>
Cash	2.0%	2.32%
Fixed Income - Rates	10.0%	4.01%
Fixed Income - Credit	5.0%	5.25%
Absolute Return	10.0%	5.60%
Equity Long/Short	8.0%	6.87%
Global Equity	39.0%	8.23%
Private Markets	26.0%	10.63%
Total	<u>100.0%</u>	

(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.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

F. Volunteer Firefighters' Pension Plan (continued)

(g) Changes in Net Pension Liability

Total Pension Liability		
Service Cost	\$	1,095
Interest on the Total Pension Liability		76,186
Benefit changes		-
Difference between expected and actual experience of the Total Pension Liability		39,791
Changes in assumptions		-
Benefit Payments		(112,590)
Net Change in Total Pension Liability		<u>4,482</u>
Total Pension Liability - Beginning		<u>1,143,180</u>
Total Pension Liability - Ending	\$	<u>1,147,662</u>
Plan Fiduciary Net Pension		
Employer Contribution	\$	20,440
Net Investment Income		113,648
Benefit Payments		(112,590)
Pension Plan Administrative Expenses		(4,814)
State of Colorado Supplemental Discretionary Payment		17,635
Net Change in Plan Fiduciary Net Pension		<u>34,319</u>
Plan Fiduciary Net Position – Beginning (Market value of assets at beginning of year)		<u>939,443</u>
Plan Fiduciary Net Position – Ending (Market value of assets at end of year)	\$	<u>973,762</u>
Net Pension Liability	\$	<u>173,900</u>

(g) Changes in Net Pension Liability (continued)

Regarding the sensitivity of the net pension liability 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	\$ 280,042	\$ 173,900	\$ 83,621

(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, 2021, the Town recognized pension expense of \$23,974.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

11. PENSION PLANS (continued)

F. Volunteer Firefighters' Pension Plan (continued)

(j) Pension Deferred Outflows/Inflows of Resources

At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (63,116)
Town contributions subsequent to the measurement date	20,440	-
Total	\$ 20,440	\$ (63,116)

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
2022	\$ (21,335)
2023	(8,748)
2024	(22,908)
2025	(10,125)
Total	\$ (63,116)

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, 2021, the Town contributions were \$258,722.

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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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:

	<u>2021</u>	<u>2020</u>
Claims payable, January 1	\$ 651,116	\$ 608,771
Incurred claims	6,518,651	6,186,925
Claims paid	<u>(6,606,767)</u>	<u>(6,144,580)</u>
Claims payable, December 31	<u>\$ 563,000</u>	<u>\$ 651,116</u>

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 2021, 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, 2021, the Town had unexpended construction related commitments of \$37,308,413.

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 expects such amounts, if any, to be immaterial.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

14. COMMITMENTS AND CONTINGENCIES (continued)

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.

In November 2021, the voters approved the Town to use excess revenues from 2021 through 2031 solely for police, fire protection, emergency medical services, roads and other transportation purposes. As of December 31, 2021 \$14,641,727 is available for these purposes.

TABOR further requires the Town to establish a TABOR emergency reserve 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 \$2,780,900 as of December 31, 2021. Use of the TABOR reserve is limited to extreme disasters and any use of the reserve must be replaced within one year. 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.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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	Park improvement project	\$ 612,303	\$ -
Police Capital	Impact fees - reimburse General Fund for growth related construction	656,343	-
Police Capital	Advance for Public Safety Training Facility	98,880	-
Fire Capital	Crystal Valley Fire Station	1,180,098	-
Water Resources	Metzler Park turf replacement	-	1,029,028
Golf	Debt service reserve	500,815	-
Economic Development			
Castle Rock Urban Renewal Authority	Operating costs	51,072	-
Total General Fund		<u>3,099,511</u>	<u>1,029,028</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

15. INTERFUND TRANSACTIONS (continued)

INTERFUND LOANS (continued)

REPORTING FUND

Fund loan from / to	Purpose	Receivable	Payable
Other Governmental Funds			
DDA TIF			
General	Loan payoff that partially funded the Festival Park improvement project	-	612,303
Facilities Capital			
Police Capital	Police Department basement renovation	152,739	-
Fire Capital			
General	Crystal Valley Fire Station	-	1,180,098
Police Capital			
General	Impact fees - reimburse General Fund for growth related construction	-	656,343
General	Advance for Public Safety Training Facility	-	98,880
Facilities Capital	Police Department basement renovation	-	152,739
Total Police Capital Fund		-	907,962
Urban Renewal Authority			
Economic Development	Operating costs	-	51,072
Total Other Governmental Funds		152,739	2,751,435
Total Governmental Funds		3,252,250	3,780,463
ENTERPRISE FUNDS			
Water Resources			
General	Metzler Park turf replacement	1,029,028	-
Golf			
General	Debt service reserve	-	500,815
Total Enterprise Funds		1,029,028	500,815
	Total All Funds	\$ 4,281,278	\$ 4,281,278

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

15. INTERFUND TRANSACTIONS (continued)

<u>REPORTING FUND</u>		TRANSFERS	
Fund transfer from / to	Purpose	Transfer In	Transfer Out
GOVERNMENTAL FUNDS			
General			
Transportation	Funding for parks improvements	\$ 638,142	\$ -
Philip S. Miller	Funding for special events	-	175,000
Fire Capital	Interfund loan interest	23,337	-
Police Capital	Interfund loan interest	13,533	-
General Long Term Planning	Funding for replacement of Fire Department equipment	-	687,144
Golf	Interfund loan interest	7,512	-
Water Resources	Interfund loan interest	-	18,349
DDA TIF	Interfund loan interest	184	-
Parking			
Stormwater	Funding for Stormwater Management Facility Upgrades	-	57,000
Transportation	Funding for maintenance of parking garages	80,000	-
Total General Fund		<u>762,708</u>	<u>937,493</u>
Transportation			
General	Funding for parks improvements	-	638,142
Fleet	Purchase of new vehicles	-	24,000
Parking	Funding for maintenance of parking garages	-	80,000
Total Transportation Fund		<u>-</u>	<u>742,142</u>
Transportation Capital			
DDA TIF	Funding for Wilcox and South roundabout	750,000	-
Total Transportation Capital Fund		<u>750,000</u>	<u>-</u>
Other Governmental Funds			
PS Miller			
General Fund	Funding for special events	175,000	-
DDA TIF			
General	Interfund loan interest	-	184
Transportation Capital	Funding for Wilcox and South roundabout	-	750,000
Municipal Facilities Capital			
Police Capital	Interfund loan interest	2,653	-
Fire Capital			
General	Interfund loan interest	-	23,337
Police Capital			
General	Interfund loan interest	-	13,533
Municipal Facilities Capital	Interfund loan interest	-	2,653
General Long Term Planning			
General	Funding for replacement of Fire Department equipment	687,144	-
Total Other Governmental Funds		<u>864,797</u>	<u>789,707</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

15. INTERFUND TRANSACTIONS (continued)

<u>REPORTING FUND</u>		TRANSFERS (continued)	
Fund transfer from / to	Purpose	Transfer In	Transfer Out
ENTERPRISE FUNDS			
Water			
Fleet	Purchase of new vehicles	-	72,503
Total Water Fund		-	72,503
Water Resources			
General Fund	Interfund loan interest	18,349	-
Total Water Resources Fund		18,349	-
Stormwater			
Parking	Funding for Stormwater Management Facility Upgrades	57,000	-
Total Stormwater Fund		57,000	-
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
Development Services			
Fleet	Purchase of new vehicles	-	30,593
Total Development Services Fund		-	30,593
INTERNAL SERVICE FUNDS			
Fleet			
Transportation	Purchase of new vehicles	24,000	-
Water	Purchase of new vehicles	72,503	-
Development Services	Purchase of new vehicles	30,593	-
Total Fleet Fund		127,096	-
	Total All Funds	<u>\$ 2,659,950</u>	<u>\$ 2,659,950</u>

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

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, 2021, the Police Capital Fund had a fund deficit of \$272,749. This will be eliminated with the repayment of the loans from the collection of future development impact fees.

On December 31, 2021, CRURA had a fund deficit of \$22,916. This will be eliminated with the repayment of the loan from future administration fees collected by the URA.

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, 2021, the Town abated approximately \$1,379,533 under this program.

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

18. DISCRETELY-PRESENTED COMPONENT UNITS

Castle Rock Downtown Development Authority (CRDDA)

As of December 31, 2021, 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, 2021 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
Capital assets being depreciated				
Downtown improvements	\$ 124,532	\$ -	\$ -	\$ 124,532
Ice rink site improvements	103,065	-	(103,065)	-
Ice rink equipment	146,563	-	(146,563)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets being depreciated	374,160	-	(249,628)	124,532
	<hr/>	<hr/>	<hr/>	<hr/>
Less accumulated depreciation				
Downtown improvements	(102,408)	(8,949)	-	(111,357)
Ice rink site improvements	(79,332)	(2,577)	81,909	-
Ice rink equipment	(99,801)	(3,663)	103,464	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total accumulated depreciation	(281,541)	(15,189)	185,373	(111,357)
	<hr/>	<hr/>	<hr/>	<hr/>
CRDDA capital assets, net	<u>\$ 92,619</u>	<u>\$ (15,189)</u>	<u>\$ (64,255)</u>	<u>\$ 13,175</u>

Miller's Landing Business Improvement District (BID)

As of December 31, 2021, 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, 2021 was as follows:

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending</u> <u>Balance</u>
Capital assets not being depreciated				
Construction in progress	\$ 12,431,796	1,700,566	-	\$ 14,132,362
	<hr/>	<hr/>	<hr/>	<hr/>
Total capital assets not being depreciated	12,431,796	1,700,566	-	14,132,362
	<hr/>	<hr/>	<hr/>	<hr/>
Miller's Landing BID capital assets, net	<u>\$ 12,431,796</u>	<u>\$ 1,700,566</u>	<u>\$ -</u>	<u>\$ 14,132,362</u>

TOWN OF CASTLE ROCK, COLORADO

**NOTES TO THE BASIC FINANCIAL STATEMENTS
DECEMBER 31, 2021**

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, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
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	2,811,267	-	4,188,790	-
	<u>\$ 22,627,523</u>	<u>\$ 2,811,267</u>	<u>\$ -</u>	<u>\$ 25,438,790</u>	<u>\$ -</u>

Beginning net position of the Miller's Landing BID was restated by \$283,533, summarized as follows:

Net position – January 1, as previously reported	\$ (5,060,238)
Net effect of restated retainage payable	283,533
Net position – January 1, as restated	<u>\$ (4,776,795)</u>

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 2021:

<u>Related Party Transactions</u>	
Castle Rock Chamber of Commerce	\$ 74,790
Castle Rock Economic Development Council	210,086
Chatfield Watershed Authority	62,925
Colorado Municipal League	23,483
Denver Regional Council of Governments	16,600
Douglas County Housing Partnership	35,000
Douglas County Youth Initiative	19,800
Downtown Development Authority	178,858
Downtown Merchants Association	75,000
Rueter Hess Recreation Authority	221,000

20. 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.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2021

21. SUBSEQUENT EVENTS

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 second half of the allocation, in the amount of \$2,851,550, was received as an advance by the Town in June 2022.

On February 1, 2022 the Town issued \$25,422,000 in Water and Sewer Enterprise Revenue Bonds, Series 2022 at interest rates ranging from 2.00% to 5.00%. The purpose of the bonds is to improve the Town's municipal water system and sanitary sewer system. The bonds are payable solely from the net pledged revenues of the Town's Water, Water Resources, 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.



This page left blank intentionally



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 - Fire

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

Schedule of Contributions for the Statewide Defined Benefit Pension Plan - Police

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

Note to Required Supplementary Information

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,	<u>2020</u>	<u>2019</u>
Total Pension Liability		
Service Cost	\$ 1,095	\$ 1,095
Interest on the Total Pension Liability	76,186	78,496
Benefit Changes	-	-
Difference between Expected and Actual Experience	39,791	-
Assumption Changes	-	-
Benefit Payments	(112,590)	(112,590)
Net Change in Total Pension Liability (Asset)	<u>4,482</u>	<u>(32,999)</u>
Total Pension Liability - Beginning	1,143,180	1,176,179
Total Pension Liability - Ending (a)	<u>\$ 1,147,662</u>	<u>\$ 1,143,180</u>
Plan Fiduciary Net Position		
Employer Contributions	\$ 20,440	\$ 20,440
Pension Plan Net Investment Income	113,648	124,499
Benefit Payments	(112,590)	(112,590)
Pension Plan Administrative Expense	(4,814)	(6,857)
State of Colorado supplemental discretionary payment	17,635	-
Net Change in Plan Fiduciary Net Position	<u>34,319</u>	<u>25,492</u>
Plan Fiduciary Net Position - Beginning	939,443	913,951
Plan Fiduciary Net Position - Ending (b)	<u>\$ 973,762</u>	<u>\$ 939,443</u>
Net Pension Liability - Ending (a) - (b)	<u>\$ 173,900</u>	<u>\$ 203,737</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	84.85%	82.18%
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.

<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$ 2,879	\$ 2,879	\$ 2,861	\$ 2,861	\$ 3,761
84,888	86,346	82,814	84,409	66,823
-	-	-	-	118,071
(26,200)	-	28,112	-	154,102
40,977	-	40,514	-	-
<u>(111,578)</u>	<u>(105,840)</u>	<u>(108,540)</u>	<u>(108,540)</u>	<u>(107,146)</u>
(9,034)	(16,615)	45,761	(21,270)	235,611
1,185,213	1,201,828	1,156,067	1,177,337	941,726
<u>\$ 1,176,179</u>	<u>\$ 1,185,213</u>	<u>\$ 1,201,828</u>	<u>\$ 1,156,067</u>	<u>\$ 1,177,337</u>
\$ 20,440	\$ 20,440	\$ 20,440	\$ 20,440	\$ 20,440
689	130,343	48,736	18,015	67,171
(111,578)	(105,840)	(108,540)	(108,540)	(107,146)
(5,163)	(5,149)	(1,735)	(3,747)	(1,914)
17,635	17,635	17,635	17,635	17,635
<u>(77,977)</u>	<u>57,429</u>	<u>(23,464)</u>	<u>(56,197)</u>	<u>(3,814)</u>
991,928	934,499	957,963	1,014,160	1,017,974
<u>\$ 913,951</u>	<u>\$ 991,928</u>	<u>\$ 934,499</u>	<u>\$ 957,963</u>	<u>\$ 1,014,160</u>
<u>\$ 262,228</u>	<u>\$ 193,285</u>	<u>\$ 267,329</u>	<u>\$ 198,104</u>	<u>\$ 163,177</u>
77.71%	83.69%	77.76%	82.86%	86.14%
N/A	N/A	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)**

	<u>2021**</u>	<u>2020</u>
Actuarially determined contributions	\$ 25,013	\$ 25,013
Contributions in relation to the actuarially determined contribution *	55,710	38,075
Contribution deficiency (excess)	<u>\$ (30,697)</u>	<u>\$ (13,062)</u>
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.

**For year 2021, the amount includes the State of Colorado Supplemental Discretionary Payments for current and prior year.

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	2.5%
Salary Increases	N/A
Investment Rate of Return	7.0%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	<p>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.</p> <p>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.</p> <p>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.</p>

* 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.

2019*	2018	2017	2016	2015
\$ 25,867	\$ 25,867	\$ 18,141	\$ 18,141	\$ 12,770
20,440	38,075	38,075	38,075	38,075
<u>\$ 5,427</u>	<u>\$ (12,208)</u>	<u>\$ (19,934)</u>	<u>\$ (19,934)</u>	<u>\$ (25,305)</u>
N/A	N/A	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 - FIRE
LAST TEN FISCAL YEARS (to be built prospectively)**

	*
	<u>2021</u>
Statutorily required contributions	\$ 733,443
Contributions in relation to the statutorily required contribution	733,443
Contribution deficiency (excess)	<u>\$ -</u>
Town's covered payroll	\$ 8,628,741
Contributions as a percentage of covered payroll	8.5%

* The amounts presented as of the current year end, December 31, 2021.

Methods and Assumptions Used to Determine Contribution:

Actuarial valuations done every year. Actuarial assumptions as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

Actuarial Valuation Date	January 1, 2020
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 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.

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.

2020	2019	2018	2017	2016	2015
\$ 713,149	\$ 574,390	\$ 596,522	\$ 530,936	\$ 505,553	\$ 476,284
713,149	574,390	596,522	530,936	505,553	476,284
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,914,365	\$ 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%	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 - FIRE
 LAST TEN FISCAL YEARS (to be built prospectively)**

	*	
	<u>2021</u>	<u>2020</u>
Town's proportion of the net pension liability (asset)	1.110%	0.974%
Town's proportionate share of the net pension liability (asset)	\$ (2,409,475)	\$ (550,949)
Town's covered payroll	\$ 8,914,365	\$ 7,179,869
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-27.029%	-7.674%
Plan fiduciary net position as a percentage of the total pension liability	106.720%	101.937%

* The amounts presented as of the measurement date, December 31, 2020.

	2019	2018	2017	2016	2015
	1.113%	1.135%	1.235%	1.228%	1.232%
\$	1,407,329	\$ (1,632,323)	\$ 446,175	\$ (21,650)	\$ (1,390,185)
\$	7,456,522	\$ 6,636,696	\$ 6,319,413	\$ 5,953,555	\$ 5,602,212
	18.874%	-24.595%	7.060%	-0.364%	-24.815%
	95.235%	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

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

	*
	<u>2021</u>
Statutorily required contributions	\$ 466,336
Contributions in relation to the statutorily required contribution	466,336
Contribution deficiency (excess)	<u>\$ -</u>
Town's covered payroll	\$ 4,549,620
Contributions as a percentage of covered payroll	10.25%

* The amounts presented as of the current year end, December 31, 2021.

** The sworn police officers affiliated with the Fire and Police Pension Association in March 2021. Contributions for 2021 include only ten months of actual contributions.

Methods and Assumptions Used to Determine Contribution:

Actuarial valuations done every year. Actuarial assumptions as of January 1, 2020 were used in the determination of the actuarially determined contributions as of December 31, 2020, which represents contributions required in 2021.

Actuarial Valuation Date	January 1, 2020
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 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.

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



This page left blank intentionally

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, 2021**

	General Fund			
	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 44,934,630	\$ 44,934,630	\$ 55,244,591	\$ 10,309,961
Charges for services	2,609,282	2,609,282	3,035,694	426,412
Management fees	4,304,660	4,304,660	4,304,660	-
Licenses and permits	104,819	104,819	133,909	29,090
Fines and forfeitures	423,989	423,989	289,720	(134,269)
Investment earnings	349,353	349,353	(18,612)	(367,965)
Intergovernmental	249,994	249,994	47,144	(202,850)
Contributions and donations	-	-	59,516	59,516
Other	528,933	765,415	667,030	(98,385)
Total revenues	53,505,660	53,742,142	63,763,652	10,021,510
EXPENDITURES				
General government				
Town council	365,510	365,510	364,489	1,021
Town manager	8,619,018	8,640,630	7,691,521	949,109
Town attorney	1,176,380	1,176,380	1,079,429	96,951
Finance	3,162,710	3,222,710	2,905,092	317,618
Municipal court	443,514	453,392	419,734	33,658
Non-departmental	1,033,473	1,083,473	861,749	221,724
Long-range planning	656,929	656,929	537,416	119,513
Total general government	15,457,534	15,599,024	13,859,430	1,739,594
Public Safety				
Police	16,455,966	16,618,600	16,825,765	(207,165)
Fire	16,956,645	17,046,531	17,270,865	(224,334)
Total public safety	33,412,611	33,665,131	34,096,630	(431,499)
Culture and recreation				
Parks and open space	5,039,925	5,064,925	4,688,195	376,730
Total culture and recreation	5,039,925	5,064,925	4,688,195	376,730
Capital outlay	643,456	3,087,558	577,313	2,510,245
Debt Service				
Interest	-	-	-	-
Agency fees	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	54,553,526	57,416,638	53,221,568	4,195,070
Excess (deficiency) of revenues over (under) expenditures	(1,047,866)	(3,674,496)	10,542,084	14,216,580
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	694,105	694,105	448,968	(245,137)
Interfund loan interest	86,345	86,345	44,566	(41,779)
Transfers in	638,142	638,142	638,142	-
Interfund loan	-	-	-	-
Interfund loan principal	(45,651)	(45,651)	(84,637)	(38,986)
Interfund loan interest	(18,349)	(18,349)	(18,349)	-
Transfers out	(862,144)	(862,144)	(862,144)	-
Total other financing sources (uses)	492,448	492,448	166,546	(325,902)
Net change in funds available	(555,418)	(3,182,048)	10,708,630	13,890,678
Funds available - January 1	22,541,522	27,731,644	27,731,644	-
Funds available - December 31	\$ 21,986,104	\$ 24,549,596	\$ 38,440,274	\$ 13,890,678
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Advance to other funds			98,880	
Loans to other funds			2,949,559	
Loans from other funds			(1,029,028)	
Fund balance - December 31			\$ 40,459,685	

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

Economic Development				Parking			
Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 735,408	\$ 735,408	\$ 598,405	\$ (137,003)	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
36,729	36,729	(10,912)	(47,641)	-	-	5,766	5,766
-	-	-	-	-	-	-	-
-	-	30,333	30,333	-	-	-	-
772,137	772,137	617,826	(154,311)	-	-	5,766	5,766
-	-	-	-	-	-	-	-
1,472,138	5,480,545	742,067	4,738,478	10,645,000	676,898	12,496	664,402
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
1,472,138	5,480,545	742,067	4,738,478	10,645,000	676,898	12,496	664,402
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	9,968,102	9,758,102	210,000
-	-	-	-	433,329	433,329	389,367	43,962
-	-	-	-	-	-	2,000	(2,000)
-	-	-	-	433,329	433,329	391,367	41,962
1,472,138	5,480,545	742,067	4,738,478	11,078,329	11,078,329	10,161,965	916,364
(700,001)	(4,708,408)	(124,241)	4,584,167	(11,078,329)	(11,078,329)	(10,156,199)	922,130
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	80,000	80,000	80,000	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	(57,000)	(57,000)
-	-	-	-	80,000	80,000	23,000	(57,000)
(700,001)	(4,708,408)	(124,241)	4,584,167	(10,998,329)	(10,998,329)	(10,133,199)	865,130
1,700,001	5,657,336	5,657,336	-	12,065,661	11,165,398	11,165,398	-
\$ 1,000,000	\$ 948,928	\$ 5,533,095	\$ 4,584,167	\$ 1,067,332	\$ 167,069	\$ 1,032,199	\$ 865,130
		-	-			-	-
		51,072	-			-	-
		\$ 5,584,167				\$ 1,032,199	

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, 2021**

	Total General Fund			
	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 45,670,038	\$ 45,670,038	\$ 55,842,996	\$ 10,172,958
Charges for services	2,609,282	2,609,282	3,035,694	426,412
Management fees	4,304,660	4,304,660	4,304,660	-
Licenses and permits	104,819	104,819	133,909	29,090
Fines and forfeitures	423,989	423,989	289,720	(134,269)
Investment earnings	386,082	386,082	(23,758)	(409,840)
Intergovernmental	249,994	249,994	47,144	(202,850)
Contributions and donations	-	-	59,516	59,516
Other	528,933	765,415	697,363	(68,052)
Total revenues	<u>54,277,797</u>	<u>54,514,279</u>	<u>64,387,244</u>	<u>9,872,965</u>
EXPENDITURES				
General government				
Town council	365,510	365,510	364,489	1,021
Town manager	20,736,156	14,798,073	8,446,084	6,351,989
Town attorney	1,176,380	1,176,380	1,079,429	96,951
Finance	3,162,710	3,222,710	2,905,092	317,618
Municipal court	443,514	453,392	419,734	33,658
Non-departmental	1,033,473	1,083,473	861,749	221,724
Long-range planning	656,929	656,929	537,416	119,513
Total general government	<u>27,574,672</u>	<u>21,756,467</u>	<u>14,613,993</u>	<u>7,142,474</u>
Public Safety				
Police	16,455,966	16,618,600	16,825,765	(207,165)
Fire	16,956,645	17,046,531	17,270,865	(224,334)
Total public safety	<u>33,412,611</u>	<u>33,665,131</u>	<u>34,096,630</u>	<u>(431,499)</u>
Culture and recreation				
Parks and open space	5,039,925	5,064,925	4,688,195	376,730
Total culture and recreation	<u>5,039,925</u>	<u>5,064,925</u>	<u>4,688,195</u>	<u>376,730</u>
Capital outlay	643,456	13,055,660	10,335,415	2,720,245
Debt Service				
Interest		433,329	389,367	43,962
Agency fees		-	2,000	(2,000)
Total debt service	<u>-</u>	<u>433,329</u>	<u>391,367</u>	<u>41,962</u>
Total expenditures	<u>66,670,664</u>	<u>73,975,512</u>	<u>64,125,600</u>	<u>9,849,912</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,392,867)</u>	<u>(19,461,233)</u>	<u>261,644</u>	<u>19,722,877</u>
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	694,105	694,105	448,968	(245,137)
Interfund loan interest	86,345	86,345	44,566	(41,779)
Transfers in	718,142	718,142	718,142	-
Interfund loan	-	-	-	-
Interfund loan principal	(45,651)	(45,651)	(84,637)	(38,986)
Interfund loan interest	(18,349)	(18,349)	(18,349)	-
Transfers out	(862,144)	(862,144)	(919,144)	(57,000)
Total other financing sources (uses)	<u>572,448</u>	<u>572,448</u>	<u>189,546</u>	<u>(382,902)</u>
Net change in funds available	<u>(11,820,419)</u>	<u>(18,888,785)</u>	<u>451,190</u>	<u>19,339,975</u>
Funds available - January 1	<u>36,307,184</u>	<u>44,554,378</u>	<u>44,554,378</u>	<u>-</u>
Funds available - December 31	<u>\$ 24,486,765</u>	<u>\$ 25,665,593</u>	<u>\$ 45,005,568</u>	<u>\$ 19,339,975</u>
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Advance to other funds			98,880	
Loans to other funds			3,000,631	
Loans from other funds			(1,029,028)	
Fund balance - December 31			<u>\$ 47,076,051</u>	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Sales taxes	\$ 12,448,201	\$ 12,448,201	\$ 15,277,015	\$ 2,828,814
Building use taxes	2,165,522	2,165,522	4,229,655	2,064,133
Vehicle use taxes	2,535,979	2,535,979	3,692,258	1,156,279
Charges for services	-	-	107	107
Investment earnings	218,921	218,921	(5,692)	(224,613)
Intergovernmental	7,285,191	7,285,191	8,482,280	1,197,089
Contributions and donations	-	-	709,802	709,802
Other	1,500	1,500	37,350	35,850
Total revenues	24,655,314	24,655,314	32,422,775	7,767,461
EXPENDITURES				
Administration	425,966	425,966	438,581	(12,615)
Street operations	4,608,275	4,730,275	5,228,381	(498,106)
Traffic operations	3,689,000	3,954,000	3,612,563	341,437
Public transit	62,540	62,540	71,897	(9,357)
Engineering	1,897,106	2,232,968	1,627,460	605,508
Street improvement program	11,500,000	11,500,000	10,479,444	1,020,556
Total public works	22,182,887	22,905,749	21,458,326	1,447,423
Capital outlay	1,312,000	5,864,813	1,644,133	4,220,680
DEBT SERVICE				
Principal	665,000	665,000	665,000	-
Interest	244,500	244,500	244,500	-
Agency fees	-	-	300	(300)
Total debt service	909,500	909,500	909,800	(300)
Total expenditures	24,404,387	29,680,062	24,012,259	5,667,803
Excess (deficiency) of revenues over (under) expenditures	250,927	(5,024,748)	8,410,516	13,435,264
OTHER FINANCING SOURCES (USES)				
Transfers out	(718,142)	(743,142)	(742,142)	1,000
Total other financing sources (uses)	(718,142)	(743,142)	(742,142)	1,000
Net change in funds available	(467,215)	(5,767,890)	7,668,374	13,436,264
Funds available - January 1	6,169,403	14,867,005	14,867,005	-
Funds available - December 31	\$ 5,702,188	\$ 9,099,115	\$ 22,535,379	\$ 13,436,264

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

TOWN OF CASTLE ROCK, COLORADO

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2021

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 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, 2021**

	General Fund	Economic Development Fund	Parking Fund	Total General Funds
ASSETS				
Cash and cash equivalents	\$ 25,251,154	\$ 1,224,096	\$ 1,044,695	\$ 27,519,945
Investments	11,834,558	4,295,913	-	16,130,471
Restricted cash and investments	2,851,550	40,000	-	2,891,550
Receivables				
Property taxes	1,483,041	-	-	1,483,041
Sales taxes	5,326,343	-	-	5,326,343
Accounts, net of allowance of \$272,938	1,953,021	13,086	-	1,966,107
Prepaid items	512,490	-	-	512,490
Advance to other funds	98,880	-	-	98,880
Loans to other funds	2,949,559	51,072	-	3,000,631
Total assets	<u>\$ 52,260,596</u>	<u>\$ 5,624,167</u>	<u>\$ 1,044,695</u>	<u>\$ 58,929,458</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 1,937,640	\$ -	\$ 12,496	\$ 1,950,136
Accounts payable from restricted assets	-	40,000	-	40,000
Retainage payable	10,418	-	-	10,418
Deposits	3,263,070	-	-	3,263,070
Unearned revenues	4,071,749	-	-	4,071,749
Loans from other funds	1,029,028	-	-	1,029,028
Total liabilities	<u>10,311,905</u>	<u>40,000</u>	<u>12,496</u>	<u>10,364,401</u>
Deferred inflows of resources				
Property taxes	1,483,041	-	-	1,483,041
Unavailable fund resources	5,965	-	-	5,965
Total liabilities and deferred inflows of resources	<u>11,800,911</u>	<u>40,000</u>	<u>12,496</u>	<u>11,853,407</u>
Fund balances (deficits)				
Nonspendable	2,511,359	51,072	-	2,562,431
Restricted	14,132,450	-	-	14,132,450
Committed	425,522	5,533,095	1,032,199	6,990,816
Assigned	2,797,363	-	-	2,797,363
Unassigned	20,592,991	-	-	20,592,991
Total fund balances	<u>40,459,685</u>	<u>5,584,167</u>	<u>1,032,199</u>	<u>47,076,051</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 52,260,596</u>	<u>\$ 5,624,167</u>	<u>\$ 1,044,695</u>	<u>\$ 58,929,458</u>

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2021**

	General Fund	Economic Development Fund	Parking Fund	Total General Funds
REVENUES				
Taxes	\$ 55,244,591	\$ 598,405	\$ -	\$ 55,842,996
Charges for services	3,035,694	-	-	3,035,694
Management fees	4,304,660	-	-	4,304,660
Licenses and permits	133,909	-	-	133,909
Fines and forfeitures	289,720	-	-	289,720
Investment earnings	(18,612)	(10,912)	5,766	(23,758)
Intergovernmental	47,144	-	-	47,144
Contributions and donations	59,516	-	-	59,516
Other	667,030	30,333	-	697,363
Total revenues	<u>63,763,652</u>	<u>617,826</u>	<u>5,766</u>	<u>64,387,244</u>
EXPENDITURES				
Current				
General government	13,859,430	742,067	12,496	14,613,993
Public safety	34,096,630	-	-	34,096,630
Culture and recreation	4,688,195	-	-	4,688,195
Capital outlay	577,313	-	9,758,102	10,335,415
Debt service				
Interest	-	-	389,367	389,367
Agency fees	-	-	2,000	2,000
Total expenditures	<u>53,221,568</u>	<u>742,067</u>	<u>10,161,965</u>	<u>64,125,600</u>
Excess (deficiency) of revenues over (under) expenditures	<u>10,542,084</u>	<u>(124,241)</u>	<u>(10,156,199)</u>	<u>261,644</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	682,708	-	80,000	762,708
Transfers out	(880,493)	-	(57,000)	(937,493)
Total other financing sources (uses)	<u>(197,785)</u>	<u>-</u>	<u>23,000</u>	<u>(174,785)</u>
Net change in fund balance	10,344,299	(124,241)	(10,133,199)	86,859
Fund balances - January 1	<u>30,115,386</u>	<u>5,708,408</u>	<u>11,165,398</u>	<u>46,989,192</u>
Fund balances - December 31	<u>\$ 40,459,685</u>	<u>\$ 5,584,167</u>	<u>\$ 1,032,199</u>	<u>\$ 47,076,051</u>

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, 2021

	Non-major Special Revenue	Non-major Capital Funds	Total Other Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 7,095,327	\$ 20,695,092	\$ 27,790,419
Investments	49,291	4,564,653	4,613,944
Cash held in escrow	1,686,520	-	1,686,520
Accounts receivable	91,554	14,060	105,614
Prepaid items	3,532	-	3,532
Loans to other funds	-	152,739	152,739
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 8,926,224</u>	<u>\$ 25,426,544</u>	<u>\$ 34,352,768</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 186,343	\$ 667,152	\$ 853,495
Retainage payable	-	190,884	190,884
Unearned revenues	1,726,521	-	1,726,521
Advance from other funds	-	98,880	98,880
Loans from other funds	663,375	1,989,180	2,652,555
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>2,576,239</u>	<u>2,946,096</u>	<u>5,522,335</u>
Deferred inflows of resources			
Unavailable fund resources	18,775	-	18,775
	<hr/>	<hr/>	<hr/>
Total liabilities and deferred inflows of resources	<u>2,595,014</u>	<u>2,946,096</u>	<u>5,541,110</u>
Fund balances (deficits)			
Nonspendable	3,532	-	3,532
Restricted	248,828	16,737,233	16,986,061
Committed	6,101,766	6,015,964	12,117,730
Unassigned	(22,916)	(272,749)	(295,665)
	<hr/>	<hr/>	<hr/>
Total fund balances (deficits)	<u>6,331,210</u>	<u>22,480,448</u>	<u>28,811,658</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 8,926,224</u>	<u>\$ 25,426,544</u>	<u>\$ 34,352,768</u>

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, 2021**

	Non-major Special Revenue	Non-major Capital Funds	Total Other Governmental Funds
REVENUES			
Taxes	\$ 2,907,993	\$ 2,494,674	\$ 5,402,667
Charges for services	571,854	-	571,854
Development impact fees	-	12,856,799	12,856,799
Licenses and permits	131,743	-	131,743
Investment earnings	4,105	2,977	7,082
Intergovernmental	4,836,396	-	4,836,396
Contributions and donations	294,950	-	294,950
Other	913	608	1,521
Total revenues	8,747,954	15,355,058	24,103,012
EXPENDITURES			
General government	1,565,193	492,412	2,057,605
Culture and recreation	1,221,530	133,587	1,355,117
Capital Outlay	981,907	5,531,004	6,512,911
Debt Service			
Principal	-	400,000	400,000
Interest	-	308,413	308,413
Agency fees	-	2,000	2,000
Total expenditures	3,768,630	6,867,416	10,636,046
Excess (deficiency) of revenues over (under) expenditures	4,979,324	8,487,642	13,466,966
OTHER FINANCING SOURCES (USES)			
Transfers in	175,000	689,797	864,797
Transfers out	(750,184)	(39,523)	(789,707)
Total other financing sources (uses)	(575,184)	650,274	75,090
Net change in fund balances	4,404,140	9,137,916	13,542,056
Fund balances - January 1	1,927,070	13,342,532	15,269,602
Fund balances - December 31	\$ 6,331,210	\$ 22,480,448	\$ 28,811,658

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 and property 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.

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.



This page left blank intentionally

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING BALANCE SHEET

DECEMBER 31, 2021

	Conservation Trust	Philip S. Miller Trust	Public Art	Police Forfeiture
ASSETS				
Cash and cash equivalents	\$ 4,621,510	\$ 284,795	\$ 116,673	\$ 22,012
Investments	5,351	24,253	19,687	-
Cash held in escrow	1,686,520	-	-	-
Accounts receivable	91,185	303	66	-
Prepaid items	2,054	1,478	-	-
Total assets	<u>\$ 6,406,620</u>	<u>\$ 310,829</u>	<u>\$ 136,426</u>	<u>\$ 22,012</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 175,319	\$ 3,049	\$ -	\$ -
Unearned revenues	1,686,521	-	40,000	-
Loans from other funds	-	-	-	-
Total liabilities	<u>1,861,840</u>	<u>3,049</u>	<u>40,000</u>	<u>-</u>
Deferred inflows of resources				
Unavailable fund resources	<u>18,775</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and deferred inflows of resources	<u>1,880,615</u>	<u>3,049</u>	<u>40,000</u>	<u>-</u>
Fund balances				
Nonspendable	2,054	1,478	-	-
Restricted	226,816	-	-	22,012
Committed	4,297,135	306,302	96,426	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>4,526,005</u>	<u>307,780</u>	<u>96,426</u>	<u>22,012</u>
Total liabilities and fund balances	<u>\$ 6,406,620</u>	<u>\$ 310,829</u>	<u>\$ 136,426</u>	<u>\$ 22,012</u>

Downtown Development Authority TIF	Castle Rock Urban Renewal Authority	Total Non-major Special Revenue Funds
\$ 2,022,181	\$ 28,156	\$ 7,095,327
-	-	49,291
-	-	1,686,520
-	-	91,554
-	-	3,532
<u>\$ 2,022,181</u>	<u>\$ 28,156</u>	<u>\$ 8,926,224</u>
\$ 7,975	\$ -	\$ 186,343
-	-	1,726,521
612,303	51,072	663,375
<u>620,278</u>	<u>51,072</u>	<u>2,576,239</u>
-	-	18,775
<u>620,278</u>	<u>51,072</u>	<u>2,595,014</u>
-	-	3,532
-	-	248,828
1,401,903	-	6,101,766
-	(22,916)	(22,916)
<u>1,401,903</u>	<u>(22,916)</u>	<u>6,331,210</u>
<u>\$ 2,022,181</u>	<u>\$ 28,156</u>	<u>\$ 8,926,224</u>

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, 2021

	Conservation Trust	Philip S. Miller Trust	Public Art	Police Forfeiture
REVENUES				
Licenses and permits	\$ 131,743	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Charges for services	-	571,104	-	-
Investment earnings	3,947	174	(24)	8
Intergovernmental	4,836,396	-	-	-
Contributions and donations	4,950	215,000	75,000	-
Other	-	890	23	-
Total revenues	<u>4,977,036</u>	<u>787,168</u>	<u>74,999</u>	<u>8</u>
EXPENDITURES				
General government	-	-	-	-
Culture and recreation	293,783	910,432	17,315	-
Capital outlay	981,907	-	-	-
Total expenditures	<u>1,275,690</u>	<u>910,432</u>	<u>17,315</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,701,346</u>	<u>(123,264)</u>	<u>57,684</u>	<u>8</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	175,000	-	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>175,000</u>	<u>-</u>	<u>-</u>
Net change in fund balances	3,701,346	51,736	57,684	8
Fund balance - January 1	<u>824,659</u>	<u>256,044</u>	<u>38,742</u>	<u>22,004</u>
Fund balances (deficits) - December 31	<u>\$ 4,526,005</u>	<u>\$ 307,780</u>	<u>\$ 96,426</u>	<u>\$ 22,012</u>

Downtown Development Authority TIF	Castle Rock Urban Renewal Authority	Total Non-major Special Revenue Funds
\$ -	\$ -	\$ 131,743
2,907,993	-	2,907,993
-	750	571,854
-	-	4,105
-	-	4,836,396
-	-	294,950
-	-	913
<u>2,907,993</u>	<u>750</u>	<u>8,747,954</u>
1,564,730	463	1,565,193
-	-	1,221,530
<u>-</u>	<u>-</u>	<u>981,907</u>
<u>1,564,730</u>	<u>463</u>	<u>3,768,630</u>
<u>1,343,263</u>	<u>287</u>	<u>4,979,324</u>
-	-	175,000
<u>(750,184)</u>	<u>-</u>	<u>(750,184)</u>
<u>(750,184)</u>	<u>-</u>	<u>(575,184)</u>
593,079	287	4,404,140
808,824	(23,203)	1,927,070
<u>\$ 1,401,903</u>	<u>\$ (22,916)</u>	<u>\$ 6,331,210</u>

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and permits	\$ 140,608	\$ 140,608	\$ 131,743	\$ (8,865)
Investment earnings	1,594	1,594	3,947	2,353
Intergovernmental	1,268,199	5,434,656	4,836,396	(598,260)
Contributions and donations	-	-	4,950	4,950
Total revenues	1,410,401	5,576,858	4,977,036	(599,822)
EXPENDITURES				
Culture and recreation	281,280	281,280	293,783	(12,503)
Capital Outlay	3,800,000	5,115,741	981,907	4,133,834
Total expenditures	4,081,280	5,397,021	1,275,690	4,121,331
Excess (deficiency) of revenues over (under) expenditures	(2,670,879)	179,837	3,701,346	3,521,509
Net change in funds available	(2,670,879)	179,837	3,701,346	3,521,509
Funds available - January 1	2,952,286	824,659	824,659	-
Funds available - December 31	\$ 281,407	\$ 1,004,496	\$ 4,526,005	\$ 3,521,509

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 236,000	\$ 571,000	\$ 571,104	\$ 104
Investment earnings	1,037	1,037	174	(863)
Contributions and donations	255,000	255,000	215,000	(40,000)
Other	-	-	890	890
Total revenues	492,037	827,037	787,168	(39,869)
EXPENDITURES				
Culture and recreation	654,260	989,260	910,432	78,828
Total expenditures	654,260	989,260	910,432	78,828
Excess (deficiency) of revenues over (under) expenditures	(162,223)	(162,223)	(123,264)	38,959
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	12,777	12,777	51,736	38,959
Funds available - January 1	264,106	256,044	256,044	-
Funds available - December 31	\$ 276,883	\$ 268,821	\$ 307,780	\$ 38,959

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 1,720	\$ 1,720	\$ (24)	\$ (1,744)
Contributions and donations	25,000	25,000	75,000	50,000
Other	-	-	23	23
Total revenues	26,720	26,720	74,999	48,279
EXPENDITURES				
Culture and recreation	25,000	25,000	17,315	7,685
Total expenditures	25,000	25,000	17,315	7,685
Excess (deficiency) of revenues over (under) expenditures	1,720	1,720	57,684	55,964
Net change in funds available	1,720	1,720	57,684	55,964
Funds available - January 1	27,570	38,742	38,742	-
Funds available - December 31	\$ 29,290	\$ 40,462	\$ 96,426	\$ 55,964

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Investment earnings	\$ 256	\$ 256	\$ 8	\$ (248)
Total revenues	256	256	8	(248)
Excess (deficiency) of revenues over (under) expenditures	256	256	8	(248)
Net change in funds available	256	256	8	(248)
Funds available - January 1	21,963	22,004	22,004	-
Funds available - December 31	\$ 22,219	\$ 22,260	\$ 22,012	\$ (248)

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,684,712	\$ 1,684,712	\$ 2,907,993	\$ 1,223,281
Total revenues	1,684,712	1,684,712	2,907,993	1,223,281
EXPENDITURES				
General government	858,293	858,293	1,564,730	(706,437)
Capital outlay	42,436	565,219	-	565,219
Total expenditures	900,729	1,423,512	1,564,730	(141,218)
Excess (deficiency) of revenues over (under) expenditures	783,983	261,200	1,343,263	1,082,063
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	(765,936)	(765,936)	-	765,936
Interfund loan interest	(16,391)	(16,391)	(184)	16,207
Transfers out	-	(750,000)	(750,000)	-
Total other financing sources (uses)	(782,327)	(1,532,327)	(750,184)	782,143
Net change in funds available	1,656	(1,271,127)	593,079	1,864,206
Funds available - January 1	148,344	1,421,126	1,421,126	-
Funds available - December 31	\$ 150,000	\$ 149,999	\$ 2,014,205	\$ 1,864,206
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(612,303)	
Fund balance - December 31			\$ 1,401,903	

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ -	\$ -	\$ 750	\$ 750
Other	189,725	189,725	-	(189,725)
Total revenues	189,725	189,725	750	(188,975)
OPERATING EXPENDITURES				
General government	59,500	59,500	463	59,037
Total operating expenditures	59,500	59,500	463	59,037
DEBT SERVICE				
Principal	24,000	24,000	-	24,000
Interest	360	360	-	360
Total debt service	24,360	24,360	-	24,360
Total expenditures	83,860	83,860	463	83,397
Excess (deficiency) of revenues over (under) expenditures	105,865	105,865	287	(105,578)
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	129,865	129,865	287	(129,578)
Funds available - January 1	24,516	27,869	27,869	-
Funds available - December 31	\$ 154,381	\$ 157,734	\$ 28,156	\$ (129,578)
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(51,072)	
Fund deficit - December 31			\$ (22,916)	



This page left blank intentionally

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Building use taxes	\$ 1,951,894	\$ 1,951,894	\$ 3,203,944	\$ 1,252,050
Development impact fees	9,424,745	9,424,745	13,385,655	3,960,910
Investment earnings	103,412	103,412	(7,793)	(111,205)
Intergovernmental	-	-	2,275,277	2,275,277
Contributions and donations	-	-	1,342,154	1,342,154
Other	-	-	21	21
Total revenues	11,480,051	11,480,051	20,199,258	8,719,207
EXPENDITURES				
Capital Outlay	4,600,000	16,761,583	6,897,940	9,863,643
Total expenditures	4,600,000	16,761,583	6,897,940	9,863,643
DEBT SERVICE				
Principal	515,000	515,000	515,000	-
Interest	831,169	831,169	456,657	374,512
Agency fees	-	-	700	(700)
Total debt service	1,346,169	1,346,169	972,357	373,812
Total expenditures	5,946,169	18,107,752	7,870,297	10,237,455
Excess (deficiency) of revenues over (under) expenditures	5,533,882	(6,627,701)	12,328,961	18,956,662
OTHER FINANCING SOURCES (USES)				
Transfers in	-	750,000	750,000	-
Transfers out	(33,000)	(33,000)	-	33,000
Total other financing sources (uses)	(33,000)	717,000	750,000	33,000
Net change in funds available	5,500,882	(5,910,701)	13,078,961	18,989,662
Funds available - January 1	2,071,885	16,767,729	16,767,729	-
Funds available - December 31	\$ 7,572,767	\$ 10,857,028	\$ 29,846,690	\$ 18,989,662

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

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, 2021

	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	\$ 12,235,768	\$ 1,009,003	\$ 1,631,621	\$ 598,394	\$ 5,220,306	\$ 20,695,092
Investments	2,046,532	581,123	923,349	79,112	934,537	4,564,653
Accounts receivable	6,234	1,770	2,844	241	2,971	14,060
Loans to other funds	-	152,739	-	-	-	152,739
Total assets	<u>\$ 14,288,534</u>	<u>\$ 1,744,635</u>	<u>\$ 2,557,814</u>	<u>\$ 677,747</u>	<u>\$ 6,157,814</u>	<u>\$ 25,426,544</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 484,007	\$ -	\$ -	\$ 19,661	\$ 163,484	\$ 667,152
Retainage payable	168,011	-	-	22,873	-	190,884
Advance from other funds	-	-	-	98,880	-	98,880
Loans from other funds	-	-	1,180,098	809,082	-	1,989,180
Total liabilities	<u>652,018</u>	<u>-</u>	<u>1,180,098</u>	<u>950,496</u>	<u>163,484</u>	<u>2,946,096</u>
Fund balances (deficits)						
Restricted	13,636,516	1,723,001	1,377,716	-	-	16,737,233
Committed	-	21,634	-	-	5,994,330	6,015,964
Unassigned	-	-	-	(272,749)	-	(272,749)
Total fund balances (deficits)	<u>13,636,516</u>	<u>1,744,635</u>	<u>1,377,716</u>	<u>(272,749)</u>	<u>5,994,330</u>	<u>22,480,448</u>
Total liabilities and fund balances	<u>\$ 14,288,534</u>	<u>\$ 1,744,635</u>	<u>\$ 2,557,814</u>	<u>\$ 677,747</u>	<u>\$ 6,157,814</u>	<u>\$ 25,426,544</u>

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, 2021**

	Parks and Recreation Capital	Municipal Facilities Capital	Fire Capital	Police Capital	General Long-Term Planning	Total Non-major Capital Funds
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 2,494,674	\$ 2,494,674
Development impact fees	9,784,820	559,346	1,676,296	836,337	-	12,856,799
Investment earnings	3,547	(1,055)	(1,676)	424	1,737	2,977
Other	-	-	124	-	484	608
Total revenues	<u>9,788,367</u>	<u>558,291</u>	<u>1,674,744</u>	<u>836,761</u>	<u>2,496,895</u>	<u>15,355,058</u>
EXPENDITURES						
General government	-	-	-	-	492,412	492,412
Culture and recreation	133,587	-	-	-	-	133,587
Capital outlay	3,523,564	-	-	460,188	1,547,252	5,531,004
Debt Service						
Principal	400,000	-	-	-	-	400,000
Interest	308,413	-	-	-	-	308,413
Agency fees	2,000	-	-	-	-	2,000
Total expenditures	<u>4,367,564</u>	<u>-</u>	<u>-</u>	<u>460,188</u>	<u>2,039,664</u>	<u>6,867,416</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,420,803</u>	<u>558,291</u>	<u>1,674,744</u>	<u>376,573</u>	<u>457,231</u>	<u>8,487,642</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	-	2,653	-	-	687,144	689,797
Transfers out	-	-	(23,337)	(16,186)	-	(39,523)
Total other financing sources (uses)	<u>-</u>	<u>2,653</u>	<u>(23,337)</u>	<u>(16,186)</u>	<u>687,144</u>	<u>650,274</u>
Net change in fund balances	5,420,803	560,944	1,651,407	360,387	1,144,375	9,137,916
Fund balances (deficits) - January 1	8,215,713	1,183,691	(273,691)	(633,136)	4,849,955	13,342,532
Fund balances (deficits) - December 31	<u>\$ 13,636,516</u>	<u>\$ 1,744,635</u>	<u>\$ 1,377,716</u>	<u>\$ (272,749)</u>	<u>\$ 5,994,330</u>	<u>\$ 22,480,448</u>

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Development impact fees	\$ 5,693,961	\$ 5,693,961	\$ 9,784,820	\$ 4,090,859
Investment earnings	106,783	106,783	3,547	(103,236)
Total revenues	5,800,744	5,800,744	9,788,367	3,987,623
EXPENDITURES				
Culture and recreation	171,800	171,800	133,587	38,213
Capital outlay	-	5,750,065	3,523,564	2,226,501
Total expenditures	171,800	5,921,865	3,657,151	2,264,714
DEBT SERVICE				
COP principal	400,000	400,000	400,000	-
COP interest	308,413	308,413	308,413	-
Agency and other fees	2,000	2,000	2,000	-
Total debt service	710,413	710,413	710,413	-
Total expenditures	882,213	6,632,278	4,367,564	2,264,714
Excess (deficiency) of revenues over (under) expenditures	4,918,531	(831,534)	5,420,803	6,252,337
Net change in funds available	4,918,531	(831,534)	5,420,803	6,252,337
Funds available - January 1	2,169,914	8,215,713	8,215,713	-
Funds available - December 31	\$ 7,088,445	\$ 7,384,179	\$ 13,636,516	\$ 6,252,337

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Development impact fees	\$ 319,110	\$ 319,110	\$ 559,346	\$ 240,236
Investment earnings	27,885	27,885	(1,055)	(28,940)
Total revenues	346,995	346,995	558,291	211,296
Excess (deficiency) of revenues over (under) expenditures	346,995	346,995	558,291	211,296
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	24,156	24,156	24,156	-
Interfund loan interest	2,653	2,653	2,653	-
Total other financing sources (uses)	26,809	26,809	26,809	-
Net change in funds available	373,804	373,804	585,100	211,296
Funds available - January 1	434,305	1,006,796	1,006,796	-
Funds available - December 31	\$ 808,109	\$ 1,380,600	\$ 1,591,896	\$ 211,296
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			152,739	
Fund balance - December 31			\$ 1,744,635	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Development impact fees	\$ 970,300	\$ 970,300	\$ 1,676,296	\$ 705,996
Investment earnings	24,017	24,017	(1,676)	(25,693)
Intergovernmental	-	-	-	-
Other	-	-	124	124
Total revenues	994,317	994,317	1,674,744	680,427
EXPENDITURES				
Public safety	-	-	-	-
Capital Outlay	10,000	70,000	-	70,000
Total expenditures	10,000	70,000	-	70,000
Excess (deficiency) of revenues over (under) expenditures	984,317	924,317	1,674,744	750,427
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	(301,965)	(301,965)	(301,965)	-
Interfund loan interest	(23,337)	(23,337)	(23,337)	-
Total other financing sources (uses)	(325,302)	(325,302)	(325,302)	-
Net change in funds available	659,015	599,015	1,349,442	750,427
Funds available - January 1	828,392	1,208,372	1,208,372	-
Funds available - December 31	\$ 1,487,407	\$ 1,807,387	\$ 2,557,814	\$ 750,427
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(1,180,098)	
Fund balance - December 31			\$ 1,377,716	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Development impact fees	\$ 485,686	\$ 485,686	\$ 836,337	\$ 350,651
Investment earnings	7,853	7,853	424	(7,429)
Total revenues	493,539	493,539	836,761	343,222
EXPENDITURES				
Capital outlay	-	717,151	460,188	256,963
Total expenditures	-	717,151	460,188	256,963
Excess (deficiency) of revenues over (under) expenditures	493,539	(223,612)	376,573	600,185
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	(171,159)	(171,159)	(171,159)	-
Interfund loan interest	(16,186)	(16,186)	(16,186)	-
Total other financing sources (uses)	(187,345)	(187,345)	(187,345)	-
Net change in funds available	306,194	(410,957)	189,228	600,185
Funds available - January 1	201,401	445,985	445,985	-
Funds available - December 31	\$ 507,595	\$ 35,028	635,213	\$ 600,185
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(809,082)	
Advance from other funds			(98,880)	
Fund deficit - December 31			\$ (272,749)	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Building use taxes	\$ 1,515,089	\$ 1,515,089	\$ 2,494,674	\$ 979,585
Investment earnings	28,088	28,088	1,737	(26,351)
Intergovernmental	-	-	-	-
Other	-	125,000	484	(124,516)
Total revenues	1,543,177	1,668,177	2,496,895	828,718
EXPENDITURES				
General government	609,475	1,173,607	492,412	681,195
Capital outlay	514,600	4,410,526	1,547,252	2,863,274
Total expenditures	1,124,075	5,584,133	2,039,664	3,544,469
Excess (deficiency) of revenues over (under) expenditures	419,102	(3,915,956)	457,231	4,373,187
OTHER FINANCING SOURCES (USES)				
Transfers in	687,143	687,143	687,144	1
Total other financing sources (uses)	687,143	687,143	687,144	1
Net change in funds available	1,106,245	(3,228,813)	1,144,375	4,373,188
Funds available - January 1	2,500,466	4,849,955	4,849,955	-
Funds available - December 31	\$ 3,606,711	\$ 1,621,142	\$ 5,994,330	\$ 4,373,188



This page left blank intentionally

MAJOR ENTERPRISE FUNDS BUDGETARY SCHEDULES

WATER FUND

WATER RESOURCES FUND

STORMWATER FUND

WASTEWATER 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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 17,307,152	\$ 17,307,152	\$ 16,956,415	\$ (350,737)
System development fees	3,019,950	3,019,950	5,797,477	2,777,527
Fines and forfeitures	303,700	303,700	169,083	(134,617)
Investment earnings	104,882	104,882	(24,922)	(129,804)
Intergovernmental	350,000	350,000	500,700	150,700
Other	122,990	122,990	686,370	563,380
Total revenues	21,208,674	21,208,674	24,085,123	2,876,449
OPERATING EXPENDITURES				
Administration	1,921,060	1,933,189	2,007,421	(74,232)
Operations support	10,905,805	11,393,642	10,236,211	1,157,431
Capital outlay	12,377,576	21,194,968	9,305,963	11,889,005
Total operating expenditures	25,204,441	34,521,799	21,549,595	12,972,204
DEBT SERVICE				
Principal	1,466,000	1,466,000	1,466,000	-
Interest	274,790	274,790	271,124	3,666
Agency fees	400	400	552	(152)
Total debt service	1,741,190	1,741,190	1,737,676	3,514
Total expenditures	26,945,631	36,262,989	23,287,271	12,975,718
Excess (deficiency) of revenues over (under) expenditures	(5,736,957)	(15,054,315)	797,852	15,852,167
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	1,399,800	1,399,800	-
Transfers in	-	-	-	-
Interfund loan	3,850,000	3,850,000	-	(3,850,000)
Transfers out	(2,538,784)	(2,538,784)	(72,503)	2,466,281
Total other financing sources (uses)	1,311,216	2,711,016	1,327,297	(1,383,719)
Net change in funds available	(4,425,741)	(12,343,299)	2,125,149	14,468,448
Funds available - January 1	16,825,498	25,219,286	25,219,286	-
Funds available - December 31	\$ 12,399,757	\$ 12,875,987	\$ 27,344,435	\$ 14,468,448
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 2,125,149	
Depreciation expense			(6,677,492)	
Capital asset contributions			7,866,417	
Capital outlay			9,305,963	
Principal paid			1,466,000	
Proceeds from sale of capital assets			(1,399,800)	
Loss on disposal of capital assets			(350)	
Amortization expense			56,300	
Accrued leave			(9,008)	
Change in net position			\$ 12,733,179	

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 10,713,553	\$ 10,713,553	\$ 10,831,226	\$ 117,673
System development fees	16,500,000	16,500,000	26,472,477	9,972,477
Fines and forfeitures	90,500	90,500	151,862	61,362
Investment earnings	381,952	381,952	(106,902)	(488,854)
Intergovernmental	-	-	39,274	39,274
Other	2,360,385	2,360,385	2,709,148	348,763
Total revenues	30,046,390	30,046,390	42,377,527	12,331,137
OPERATING EXPENDITURES				
Administration	655,738	654,593	618,609	35,984
Operations support	10,524,198	10,537,427	7,747,565	2,789,862
Capital outlay	12,963,845	29,871,183	16,387,683	13,483,500
Total operating expenditures	24,143,781	41,063,203	24,753,857	16,309,346
DEBT SERVICE				
Principal	2,015,000	2,015,000	2,015,000	-
Interest	1,726,975	1,726,975	1,724,456	2,519
Agency and other fees	-	-	300	(300)
Total debt service	3,741,975	3,741,975	3,739,756	2,219
Total expenditures	27,885,756	44,805,178	28,493,613	16,311,565
Excess (deficiency) of revenues over (under) expenditures	2,160,634	(14,758,788)	13,883,914	28,642,702
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	45,651	45,651	84,638	38,987
Interfund loan interest	18,349	18,349	18,349	-
Transfers in	2,409,582	2,409,582	-	(2,409,582)
Transfers out	(49,210)	(49,210)	-	49,210
Total other financing sources (uses)	2,424,372	2,424,372	102,987	(2,321,385)
Net change in funds available	4,585,006	(12,334,416)	13,986,901	26,321,317
Funds available - January 1	17,105,598	43,964,848	43,964,848	-
Funds available - December 31	\$ 21,690,604	\$ 31,630,432	\$ 57,951,749	\$ 26,321,317
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 13,986,901	
Depreciation expense			(3,362,490)	
Capital asset contributions			222,278	
Capital outlay			16,387,683	
Principal paid			2,015,000	
Interfund loan principal			(84,638)	
Proceeds from sale of capital assets			(2,280,442)	
Amortization expense			533,353	
Accrued leave			13,050	
Change in net position			\$ 27,430,695	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 3,713,000	\$ 3,713,000	\$ 3,727,519	\$ 14,519
System development fees	1,137,161	1,137,161	1,871,979	734,818
Investment earnings	19,769	19,769	(14,941)	(34,710)
Intergovernmental	-	-	-	-
Other	7,105	7,105	556,342	549,237
Total revenues	4,877,035	4,877,035	6,140,899	1,263,864
OPERATING EXPENDITURES				
Administration	686,233	698,280	695,793	2,487
Operations support	2,061,458	2,096,501	1,989,550	106,951
Capital outlay	8,323,394	12,788,486	6,104,187	6,684,299
Total operating expenditures	11,071,085	15,583,267	8,789,530	6,793,737
DEBT SERVICE				
Interest	187,440	187,440	176,027	11,413
Total debt service	187,440	187,440	176,027	11,413
Total expenditures	11,258,525	15,770,707	8,965,557	6,805,150
Excess (deficiency) of revenues over (under) expenditures	(6,381,490)	(10,893,672)	(2,824,658)	8,069,014
OTHER FINANCING SOURCES (USES)				
Notes payable proceeds	500,000	500,000	500,000	-
Notes payable issue costs	-	-	-	-
Transfers in	-	-	57,000	57,000
Total other financing sources (uses)	500,000	500,000	557,000	57,000
Net change in funds available	(5,881,490)	(10,393,672)	(2,267,658)	8,126,014
Funds available - January 1	8,935,254	15,120,927	15,120,927	-
Funds available - December 31	\$ 3,053,764	\$ 4,727,255	\$ 12,853,269	\$ 8,126,014
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ (2,267,658)	
Depreciation expense			(2,525,427)	
Capital asset contributions			10,738,079	
Capital outlay			6,104,187	
Notes payable proceeds			(500,000)	
Interfund loan principal			-	
Loss on disposal of capital assets			(250)	
Accrued leave			(7,512)	
Change in net position			\$ 11,541,419	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 11,300,260	\$ 11,300,260	\$ 11,703,687	\$ 403,427
System development fees	3,021,469	3,021,469	3,743,138	721,669
Fines and forfeitures	100	100	11	(89)
Investment earnings	26,372	26,372	(7,293)	(33,665)
Other	10,681	10,681	251,319	240,638
Total revenues	14,358,882	14,358,882	15,690,862	1,331,980
OPERATING EXPENDITURES				
Administration	1,079,577	1,130,878	1,188,225	(57,347)
Operations support	5,248,055	5,567,844	5,010,042	557,802
Contributions toward sewer capacity	2,002,051	2,354,649	2,413,643	(58,994)
Capital outlay	7,437,678	8,173,418	3,050,232	5,123,186
Total operating expenditures	15,767,361	17,226,789	11,662,142	5,564,647
DEBT SERVICE				
Principal	294,000	294,000	294,000	-
Interest	39,660	39,660	38,925	735
Agency fees	-	-	48	(48)
Total debt service	333,660	333,660	332,973	687
Total expenditures	16,101,021	17,560,449	11,995,115	5,565,334
Excess (deficiency) of revenues over (under) expenditures	(1,742,139)	(3,201,567)	3,695,747	6,897,314
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	(5,592,139)	(7,051,567)	3,695,747	10,747,314
Funds available - January 1	9,602,892	13,942,595	13,942,595	-
Funds available - December 31	\$ 4,010,753	\$ 6,891,028	\$ 17,638,342	\$ 10,747,314
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 3,695,747	
Depreciation expense			(2,749,996)	
Capital asset contributions			6,691,800	
Capital outlay			3,050,232	
Interfund loan principal			-	
Principal paid			294,000	
Interfund loan			-	
Proceeds from sale of capital assets			-	
Loss on disposal of capital assets			(250)	
Amortization expense			5,044	
Investment in joint venture			15,201,673	
Accrued leave			(370)	
Change in net position			\$ 26,187,880	

NON-MAJOR ENTERPRISE 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.

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.

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS
 COMBINING STATEMENT OF NET POSITION
 DECEMBER 31, 2021

	Golf	Community Center	Development Services	Total Other Enterprise Funds
ASSETS				
Current Assets				
Cash and cash equivalents	\$ 1,527,564	\$ 1,107,133	\$ 3,063,951	\$ 5,698,648
Investments	429,340	525,447	3,380,760	4,335,547
Restricted cash and cash equivalents	500,815	-	-	500,815
Receivables	1,901	469,961	18,693	490,555
Prepaid items	17,440	24,205	112,673	154,318
Inventory	75,300	-	-	75,300
Total current assets	<u>2,552,360</u>	<u>2,126,746</u>	<u>6,576,077</u>	<u>11,255,183</u>
Non-current Assets				
Capital assets				
Land	5,412,479	181,965	-	5,594,444
Easements	-	-	6,100	6,100
Buildings and improvements	2,207,364	8,167,414	5,197,794	15,572,572
Machinery and equipment	1,275,017	1,015,062	53,438	2,343,517
Other structures and improvements	953,851	1,362,850	-	2,316,701
Accumulated depreciation	(2,597,041)	(6,041,709)	(658,553)	(9,297,303)
Total capital assets (net of accumulated depreciation)	<u>7,251,670</u>	<u>4,685,582</u>	<u>4,598,779</u>	<u>16,536,031</u>
Total non-current assets	<u>7,251,670</u>	<u>4,685,582</u>	<u>4,598,779</u>	<u>16,536,031</u>
Total assets	<u>9,804,030</u>	<u>6,812,328</u>	<u>11,174,856</u>	<u>27,791,214</u>
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refundings	224,819	-	-	224,819
LIABILITIES				
Current liabilities				
Accounts payable	139,599	341,829	152,670	634,098
Accrued interest payable	7,301	-	-	7,301
Deposits	5,106	9,000	11,890	25,996
Revenue bonds payable-current	420,000	-	-	420,000
Capital leases-current	110,777	-	-	110,777
Accrued leave-current	91,713	125,243	271,591	488,547
Unearned revenues	80,631	1,972	200,000	282,603
Total current liabilities	<u>855,127</u>	<u>478,044</u>	<u>636,151</u>	<u>1,969,322</u>
Non-current liabilities				
Revenue bonds net of unamortized premiums (discounts)	2,295,000	-	-	2,295,000
Accrued leave	114,586	134,691	170,808	420,085
Loans from other funds	500,815	-	-	500,815
Total non-current liabilities	<u>2,910,401</u>	<u>134,691</u>	<u>170,808</u>	<u>3,215,900</u>
Total liabilities	<u>3,765,528</u>	<u>612,735</u>	<u>806,959</u>	<u>5,185,222</u>
NET POSITION				
Net investment in capital assets	4,566,226	4,514,813	4,598,779	13,679,818
Unrestricted	1,697,095	1,684,780	5,769,118	9,150,993
Total net position	<u>\$ 6,263,321</u>	<u>\$ 6,199,593</u>	<u>\$ 10,367,897</u>	<u>\$ 22,830,811</u>

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Golf	Community Center	Development Services	Total Other Enterprise Funds
OPERATING REVENUES				
Charges for services	\$ 4,017,814	\$ 3,484,543	\$ 8,129,205	\$ 15,631,562
Intergovernmental	-	25,000	-	25,000
Other	2,626	14,565	1,518	18,709
Total operating revenues	<u>4,020,440</u>	<u>3,524,108</u>	<u>8,130,723</u>	<u>15,675,271</u>
OPERATING EXPENSES				
Operations	3,002,719	7,206,243	7,122,690	17,331,652
Depreciation	254,671	396,753	132,344	783,768
Total operating expenses	<u>3,257,390</u>	<u>7,602,996</u>	<u>7,255,034</u>	<u>18,115,420</u>
Operating income (loss)	<u>763,050</u>	<u>(4,078,888)</u>	<u>875,689</u>	<u>(2,440,149)</u>
NON-OPERATING REVENUES (EXPENSES)				
Taxes	\$ -	\$ 4,450,988	\$ -	\$ 4,450,988
Investment earnings	1,103	(752)	(7,100)	(6,749)
Interest expense	(134,912)	-	-	(134,912)
Agency and other fees	(300)	-	-	(300)
Total non-operating revenues (expenses)	<u>(134,109)</u>	<u>4,450,236</u>	<u>(7,100)</u>	<u>4,309,027</u>
Net income (loss) before contributions and transfers	<u>628,941</u>	<u>371,348</u>	<u>868,589</u>	<u>1,868,878</u>
CONTRIBUTIONS AND TRANSFERS				
Transfers in	80,000	-	-	80,000
Transfers out	(7,512)	(80,000)	(30,593)	(118,105)
Total contributions and transfers	<u>72,488</u>	<u>(80,000)</u>	<u>(30,593)</u>	<u>(38,105)</u>
Change in fund net position	701,429	291,348	837,996	1,830,773
Total net position - January 1	<u>5,561,892</u>	<u>5,908,245</u>	<u>9,529,901</u>	<u>21,000,038</u>
Total net position - December 31	<u>\$ 6,263,321</u>	<u>\$ 6,199,593</u>	<u>\$ 10,367,897</u>	<u>\$ 22,830,811</u>

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FOR THE YEAR ENDED DECEMBER 31, 2021

	Golf	Community Center	Development Services	Total Other Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	\$ 4,016,684	\$ 3,538,437	\$ 8,362,427	\$ 15,917,548
Receipts from interfund services provided	-	-	-	-
Payments to suppliers	(1,384,313)	(2,947,098)	(1,277,062)	(5,608,473)
Payments to employees	(1,611,175)	(4,183,804)	(5,706,803)	(11,501,782)
Net cash provided by (used in) operating activities	1,021,196	(3,592,465)	1,378,562	(1,192,707)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Cash transfers in	80,000	-	-	80,000
Cash transfers out	(7,512)	(80,000)	(30,593)	(118,105)
Receipts from taxes	-	4,450,988	-	4,450,988
Net cash provided by (used in) non-capital financing activities	72,488	4,370,988	(30,593)	4,412,883
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition of capital assets	(43,703)	-	-	(43,703)
Principal paid on bonds and cops payable	(410,000)	-	-	(410,000)
Interest paid on bonds and cops payable	(89,376)	-	-	(89,376)
Principal paid on lease purchase agreements	(132,612)	-	-	(132,612)
Interest paid on lease purchase agreements	(9,040)	-	-	(9,040)
Bond issue costs and agency fees	(300)	-	-	(300)
Net cash provided by (used in) capital and related financing activities	(685,031)	-	-	(685,031)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	10,307	10,512	65,373	86,192
Decrease (increase) in equity in pooled investments	(7,378)	(9,029)	(58,088)	(74,495)
Net cash provided by (used in) investing activities	2,929	1,483	7,285	11,697
Net increase (decrease) in cash and cash equivalents	411,582	780,006	1,355,254	2,546,842
Cash and cash equivalents - January 1	1,616,797	327,127	1,708,697	3,652,621
Cash and cash equivalents - December 31	<u>\$ 2,028,379</u>	<u>\$ 1,107,133</u>	<u>\$ 3,063,951</u>	<u>\$ 6,199,463</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION				
Unrestricted cash and cash equivalents	1,527,564	1,107,133	3,063,951	\$ 5,698,648
Restricted cash and cash equivalents	500,815	-	-	500,815
Total cash and cash equivalents	<u>\$ 2,028,379</u>	<u>\$ 1,107,133</u>	<u>\$ 3,063,951</u>	<u>\$ 6,199,463</u>

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

TOWN OF CASTLE ROCK, COLORADO
NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

	<u>Golf</u>	<u>Community Center</u>	<u>Development Services</u>	<u>Total Other Enterprise Funds</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	\$ 763,050	\$ (4,078,888)	\$ 875,689	\$ (2,440,149)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	254,671	396,753	132,344	783,768
Changes in operating assets and liabilities				
(Increase) decrease in assets				
Accounts receivable	3,827	14,029	31,710	49,566
Prepaid items	2,726	426	(519)	2,633
Inventory	8,377	-	-	8,377
Increase (decrease) in liabilities				
Accounts payable	(47,620)	48,078	13,951	14,409
Accrued leave	43,747	26,837	125,387	195,971
Unearned revenue	17,434	-	200,000	217,434
Deposits	(25,016)	300	-	(24,716)
Total adjustments	<u>258,146</u>	<u>486,423</u>	<u>502,873</u>	<u>1,247,442</u>
Net cash provided by (used in) operating activities	<u>\$ 1,021,196</u>	<u>\$ (3,592,465)</u>	<u>\$ 1,378,562</u>	<u>\$ (1,192,707)</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Payables incurred for purchase of capital assets	\$ (84,486)	\$ (170,769)	\$ -	\$ (255,255)
Amortization of premium, discount and deferred loss on refunding	38,267	-	-	38,267
Decrease in fair value of investments	(9,204)	(11,264)	(72,473)	(92,941)
Noncash investing, capital and financing activities	<u>\$ (55,423)</u>	<u>\$ (182,033)</u>	<u>\$ (72,473)</u>	<u>\$ (309,929)</u>

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



This page left blank intentionally

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 3,487,607	\$ 3,487,607	\$ 4,017,814	\$ 530,207
Investment earnings	6,209	6,209	1,103	(5,106)
Intergovernmental	-	-	-	-
Other	-	-	2,626	2,626
Total revenues	<u>3,493,816</u>	<u>3,493,816</u>	<u>4,021,543</u>	<u>527,727</u>
OPERATING EXPENDITURES				
Administration	356,470	356,470	395,360	(38,890)
Operations support	859,525	859,525	1,002,089	(142,564)
Food and beverages	515,550	515,550	567,238	(51,688)
Maintenance	972,268	972,268	994,285	(22,017)
Capital outlay	-	879,071	84,486	794,585
Total operating expenditures	<u>2,703,813</u>	<u>3,582,884</u>	<u>3,043,458</u>	<u>539,426</u>
DEBT SERVICE				
Principal	618,309	618,309	542,612	75,697
Interest	106,311	106,311	96,645	9,666
Agency fees	2,500	2,500	300	2,200
Total debt service	<u>727,120</u>	<u>727,120</u>	<u>639,557</u>	<u>87,563</u>
Total expenditures	<u>3,430,933</u>	<u>4,310,004</u>	<u>3,683,015</u>	<u>626,989</u>
Excess (deficiency) of revenues over (under) expenditures	<u>62,883</u>	<u>(816,188)</u>	<u>338,528</u>	<u>1,154,716</u>
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)	<u>72,488</u>	<u>72,488</u>	<u>72,488</u>	<u>-</u>
Net change in funds available	135,371	(743,700)	411,016	1,154,716
Funds available - January 1	<u>577,790</u>	<u>1,873,289</u>	<u>1,873,289</u>	<u>-</u>
Funds available - December 31	<u>\$ 713,161</u>	<u>\$ 1,129,589</u>	<u>\$ 2,284,305</u>	<u>\$ 1,154,716</u>
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 411,016	
Depreciation expense			(254,671)	
Capital outlay			84,486	
Principal paid			542,612	
Amortization expense			(38,267)	
Accrued leave			(43,747)	
Change in net position			<u>\$ 701,429</u>	

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 3,465,504	\$ 3,465,504	\$ 4,450,988	\$ 985,484
Charges for services	4,721,858	4,721,858	3,484,543	(1,237,315)
Investment earnings	7,704	7,704	(752)	(8,456)
Intergovernmental	-	-	25,000	25,000
Other	-	-	14,565	14,565
Total revenues	8,195,066	8,195,066	7,974,344	(220,722)
OPERATING EXPENDITURES				
Administration	92,140	92,140	57,240	34,900
Operations support	3,090,221	3,090,221	2,777,679	312,542
Special events	302,740	302,740	484,874	(182,134)
Birthday parties	59,640	59,640	21,879	37,761
Aquatics	2,030,005	2,030,005	1,628,739	401,266
Athletics	1,068,880	1,068,880	948,018	120,862
Cultural arts	290,880	290,880	203,483	87,397
Fitness and wellness	553,195	553,195	393,747	159,448
Youth programs	626,549	626,549	663,747	(37,198)
Capital outlay	400,000	400,000	170,769	229,231
Total operating expenditures	8,514,250	8,514,250	7,350,175	1,164,075
Total expenditures	8,514,250	8,514,250	7,350,175	1,164,075
Excess (deficiency) of revenues over (under) expenditures	(319,184)	(319,184)	624,169	943,353
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	(399,184)	(399,184)	544,169	943,353
Funds available - January 1	1,815,336	1,224,206	1,224,206	-
Funds available - December 31	\$ 1,416,152	\$ 825,022	\$ 1,768,375	\$ 943,353
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 544,169	
Depreciation expense			(396,753)	
Capital outlay			170,769	
Accrued leave			(26,837)	
Change in net position			\$ 291,348	

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 7,140,000	\$ 7,140,000	\$ 8,129,205	\$ 989,205
Investment earnings	67,441	67,441	(7,100)	(74,541)
Other	-	-	1,518	1,518
Total revenues	<u>7,207,441</u>	<u>7,207,441</u>	<u>8,123,623</u>	<u>916,182</u>
OPERATING EXPENDITURES				
Operations support	<u>7,027,552</u>	<u>7,786,158</u>	<u>6,997,303</u>	<u>788,855</u>
Total operating expenditures	<u>7,027,552</u>	<u>7,886,158</u>	<u>6,997,303</u>	<u>888,855</u>
Excess (deficiency) of revenues over (under) expenditures	<u>179,889</u>	<u>(678,717)</u>	<u>1,126,320</u>	<u>1,805,037</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>(45,000)</u>	<u>(45,000)</u>	<u>(30,593)</u>	<u>(14,407)</u>
Total other financing sources (uses)	<u>(45,000)</u>	<u>(45,000)</u>	<u>(30,593)</u>	<u>(14,407)</u>
Net change in funds available	134,889	(723,717)	1,095,727	1,819,444
Funds available - January 1	<u>4,128,486</u>	<u>5,111,409</u>	<u>5,111,409</u>	<u>-</u>
Funds available - December 31	<u>\$ 4,263,375</u>	<u>\$ 4,387,692</u>	<u>\$ 6,207,136</u>	<u>\$ 1,819,444</u>
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 1,095,727	
Depreciation expense			(132,344)	
Accrued leave			<u>(125,387)</u>	
Change in net position			<u>\$ 837,996</u>	

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, 2021**

	Employee Benefits	Fleet Services	Total Internal Service Funds
ASSETS			
Current Assets			
Cash and cash equivalents	\$ 2,054,837	\$ 6,736,168	\$ 8,791,005
Investments	2,111,608	145,076	2,256,684
Receivables	162,243	1,990	164,233
Prepaid items	220,625	5,862	226,487
Total current assets	<u>4,549,313</u>	<u>6,889,096</u>	<u>11,438,409</u>
Non-current Assets			
Capital assets			
Buildings and improvements	-	43,590	43,590
Machinery and equipment	-	26,694,902	26,694,902
Construction in progress	-	43,156	43,156
Accumulated depreciation	-	(20,093,547)	(20,093,547)
Total non-current assets	<u>-</u>	<u>6,688,101</u>	<u>6,688,101</u>
Total assets	<u>4,549,313</u>	<u>13,577,197</u>	<u>18,126,510</u>
LIABILITIES			
Current liabilities			
Accounts payable	571,483	29,704	601,187
Unearned revenues	649,778	-	649,778
Current portion of accrued leave	-	53,180	53,180
Total current liabilities	<u>1,221,261</u>	<u>82,884</u>	<u>1,304,145</u>
Non-current liabilities			
Accrued leave	-	20,366	20,366
Total non-current liabilities	<u>-</u>	<u>20,366</u>	<u>20,366</u>
Total liabilities	<u>1,221,261</u>	<u>103,250</u>	<u>1,324,511</u>
NET POSITION			
Net investment in capital assets	-	6,688,101	6,688,101
Unrestricted	3,328,052	6,785,846	10,113,898
Total net position	<u>\$ 3,328,052</u>	<u>\$ 13,473,947</u>	<u>\$ 16,801,999</u>

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Employee Benefits	Fleet Services	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	\$ 8,323,711	\$ 5,286,493	\$ 13,610,204
Other	2,226,829	4,803	2,231,632
Total operating revenues	<u>10,550,540</u>	<u>5,291,296</u>	<u>15,841,836</u>
OPERATING EXPENSES			
Cost of sales and services	9,073,179	1,500,279	10,573,458
Depreciation	-	3,016,975	3,016,975
Total operating expenses	<u>9,073,179</u>	<u>4,517,254</u>	<u>13,590,433</u>
Operating income (loss)	<u>1,477,361</u>	<u>774,042</u>	<u>2,251,403</u>
NON-OPERATING REVENUES/(EXPENSES)			
Investment earnings	(5,102)	3,442	(1,660)
Gain on disposal of capital assets	-	213,607	213,607
Total non-operating revenues/(expenses)	<u>(5,102)</u>	<u>217,049</u>	<u>211,947</u>
Net income (loss) before contributions and transfers	1,472,259	991,091	2,463,350
CONTRIBUTIONS AND TRANSFERS			
Transfers in	-	127,096	127,096
Total contributions and transfers	<u>-</u>	<u>127,096</u>	<u>127,096</u>
Change in net position	1,472,259	1,118,187	2,590,446
Total net position - January 1	<u>1,855,793</u>	<u>12,355,760</u>	<u>14,211,553</u>
Total net position - December 31	<u>\$ 3,328,052</u>	<u>\$ 13,473,947</u>	<u>\$ 16,801,999</u>

TOWN OF CASTLE ROCK, COLORADO

**INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021**

	Employee Benefits	Fleet Services	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 2,126,295	\$ 14,054	\$ 2,140,349
Receipts from interfund services provided	8,323,711	5,286,493	13,610,204
Payments to suppliers	(9,136,742)	(782,495)	(9,919,237)
Payments to employees	(237,655)	(727,455)	(965,110)
Net cash provided by operating activities	<u>1,075,609</u>	<u>3,790,597</u>	<u>4,866,206</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Cash transfers in	-	127,096	127,096
Net cash provided by non-capital financing activities	<u>-</u>	<u>127,096</u>	<u>127,096</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(1,290,496)	(1,290,496)
Proceeds from sale of capital assets	-	252,474	252,474
Net cash used in capital and related financing activities	<u>-</u>	<u>(1,038,022)</u>	<u>(1,038,022)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	40,164	6,552	46,716
Increase in equity in pooled investments	(36,282)	(2,492)	(38,774)
Net cash provided by investing activities	<u>3,882</u>	<u>4,060</u>	<u>7,942</u>
Net increase in cash and cash equivalents	1,079,491	2,883,731	3,963,222
Cash and cash equivalents - January 1	975,346	3,852,437	4,827,783
Cash and cash equivalents - December 31	<u>\$ 2,054,837</u>	<u>\$ 6,736,168</u>	<u>\$ 8,791,005</u>
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION			
Unrestricted cash and cash equivalents	<u>2,054,837</u>	<u>6,736,168</u>	<u>\$ 8,791,005</u>
Total cash and cash equivalents	<u>\$ 2,054,837</u>	<u>\$ 6,736,168</u>	<u>\$ 8,791,005</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income	\$ 1,477,361	\$ 774,042	\$ 2,251,403
Adjustments to reconcile operating income (loss) from operations to net cash provided by operating activities			
Depreciation	-	3,016,975	3,016,975
(Increase) decrease in assets			
Accounts receivable	(110,779)	9,251	(101,528)
Prepaid items	(220,051)	1,542	(218,509)
Increase (decrease) in liabilities			
Accounts payable	(81,166)	(15,005)	(96,171)
Accrued leave	-	3,792	3,792
Unearned revenue	10,244	-	10,244
Total adjustments	<u>(401,752)</u>	<u>3,016,555</u>	<u>2,614,803</u>
Net cash provided by operating activities	<u>\$ 1,075,609</u>	<u>\$ 3,790,597</u>	<u>\$ 4,866,206</u>
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Decrease in fair value of investments	\$ (45,266)	\$ (3,110)	\$ (48,376)
Noncash investing, capital and financing activities	<u>\$ (45,266)</u>	<u>\$ (3,110)</u>	<u>\$ (48,376)</u>

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, 2021

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 8,092,770	\$ 8,092,770	\$ 8,323,711	\$ 230,941
Investment earnings	66,709	66,709	(5,102)	(71,811)
Other	1,978,280	1,978,280	2,226,829	248,549
Total revenues	10,137,759	10,137,759	10,545,438	407,679
EXPENDITURES				
Operations	9,440,370	10,140,370	9,073,179	1,067,191
Total expenditures	9,440,370	10,140,370	9,073,179	1,067,191
Net change in funds available	697,389	(2,611)	1,472,259	1,474,870
Funds available - January 1	1,351,359	1,855,793	1,855,793	-
Funds available - December 31	\$ 2,048,748	\$ 1,853,182	\$ 3,328,052	\$ 1,474,870

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, 2021**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	\$ 4,803,499	\$ 4,803,499	\$ 5,286,493	\$ 482,994
Investment earnings	28,516	28,516	3,442	(25,074)
Transfers in	207,202	232,202	127,096	(105,106)
Proceeds from sale of capital assets	254,277	254,277	252,474	(1,803)
Other	-	-	4,803	4,803
Total revenues	5,293,494	5,318,494	5,674,308	355,814
EXPENDITURES				
Operations	1,492,971	1,497,971	1,496,487	1,484
Capital outlay	3,023,807	3,610,043	1,270,883	2,339,160
Total expenditures	4,516,778	5,108,014	2,767,370	2,340,644
Net change in funds available	776,716	210,480	2,906,938	2,696,458
Funds available - January 1	3,214,196	3,941,053	3,941,053	-
Funds available - December 31	\$ 3,990,912	\$ 4,151,533	\$ 6,847,991	\$ 2,696,458
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in funds available			\$ 2,906,938	
Depreciation expense			(3,016,975)	
Capital outlay			1,270,883	
Proceeds from sale of capital assets			(252,474)	
Gain on disposal of capital assets			213,607	
Accrued leave			(3,792)	
Change in net position			\$ 1,118,187	



This page left blank intentionally

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, 2021**

	Add-On PIF Fund	Special District Fee Fund	Use Tax Fund	Authority Development Fee Fund	Total Custodial Funds
ASSETS					
Cash and cash equivalents	\$ 42,570	\$ 41,456	\$ 274,677	\$ 1,680	\$ 360,383
Accounts receivable	51,273	-	-	-	51,273
Total assets	<u>93,843</u>	<u>41,456</u>	<u>274,677</u>	<u>1,680</u>	<u>411,656</u>
LIABILITIES					
Accounts payable	-	-	505	-	505
Due to organizations and other governments	93,843	41,456	274,172	1,680	411,151
Total liabilities	<u>93,843</u>	<u>41,456</u>	<u>274,677</u>	<u>1,680</u>	<u>411,656</u>
NET POSITION					
Net position restricted for organizations and other governments	-	-	-	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUNDS

FOR THE YEAR ENDED DECEMBER 31, 2021

	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	\$ 493,428	\$ 474,331	\$ -	\$ 19,260	\$ 987,019
Tax collections for other governments	-	-	1,882,980	-	1,882,980
Total additions	<u>493,428</u>	<u>474,331</u>	<u>1,882,980</u>	<u>19,260</u>	<u>2,869,999</u>
DEDUCTIONS					
Payments of fees and permits to organizations and other governments	493,428	473,145	-	19,260	985,833
Payments of taxes to other governments	-	-	1,763,306	-	1,763,306
Payments of refunds	-	-	113,674	-	113,674
Administrative expense	-	1,186	6,000	-	7,186
Total deductions	<u>493,428</u>	<u>474,331</u>	<u>1,882,980</u>	<u>19,260</u>	<u>2,869,999</u>
Net increase (decrease) in fiduciary net position	-	-	-	-	-
Net position - beginning	-	-	-	-	-
Net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



This page left blank intentionally



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 Annual Comprehensive 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

156

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

168

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

Debt Capacity

186

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

195

These schedules provide demographic and economic indicators to help the reader understand the environment within which the Town operates.

Operating Information

201

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 annual comprehensive financial reports for the relevant years.

Financial Trends

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
Net investment in capital assets	\$ 225,585,883	\$ 201,422,904	\$ 254,066,717	\$ 281,695,831
Restricted	1,994,901	70,760,651	8,223,087	11,447,113
Unrestricted	<u>52,464,307</u>	<u>23,335,029</u>	<u>52,846,664</u>	<u>36,287,969</u>
Total governmental activities net position	<u>280,045,091</u>	<u>295,518,584</u>	<u>315,136,468</u>	<u>329,430,913</u>
<u>BUSINESS-TYPE ACTIVITIES</u>				
Net investment in capital assets	318,957,957	314,819,483	333,160,111	343,865,979
Unrestricted	<u>110,322,628</u>	<u>135,789,073</u>	<u>143,859,391</u>	<u>164,510,149</u>
Total business-type activities net position	<u>429,280,585</u>	<u>450,608,556</u>	<u>477,019,502</u>	<u>508,376,128</u>
<u>PRIMARY GOVERNMENT</u>				
Net investment in capital assets	544,543,840	516,242,387	587,226,828	625,561,810
Restricted	1,994,901	70,760,651	8,223,087	11,447,113
Unrestricted	<u>162,786,935</u>	<u>159,124,102</u>	<u>196,706,055</u>	<u>200,798,118</u>
Total primary government net position	<u>\$ 709,325,676</u>	<u>\$ 746,127,140</u>	<u>\$ 792,155,970</u>	<u>\$ 837,807,041</u>

	2016	2017	2018	2019	2020	2021
\$	302,585,569	\$ 313,943,660	\$ 332,762,370	\$ 361,694,721	\$ 376,706,367	\$ 395,257,608
	11,435,201	14,486,482	19,853,075	16,884,859	29,327,323	69,256,816
	38,993,869	41,495,945	47,989,843	49,179,639	64,958,841	70,971,365
	<u>353,014,639</u>	<u>369,926,087</u>	<u>400,605,288</u>	<u>427,759,219</u>	<u>470,992,531</u>	<u>535,485,789</u>
	367,831,717	444,474,020	473,027,666	512,559,768	567,915,608	610,487,873
	178,911,069	138,557,064	150,221,369	134,822,353	130,333,154	167,942,002
	<u>546,742,786</u>	<u>583,031,084</u>	<u>623,249,035</u>	<u>647,382,121</u>	<u>698,248,762</u>	<u>778,429,875</u>
	670,417,286	758,417,680	805,790,036	874,254,489	944,621,975	1,005,745,481
	11,435,201	14,486,482	19,853,075	16,884,859	29,327,323	69,256,816
	217,904,938	180,053,009	198,211,212	184,001,992	195,291,995	238,913,367
\$	<u>899,757,425</u>	<u>\$ 952,957,171</u>	<u>\$ 1,023,854,323</u>	<u>\$ 1,075,141,340</u>	<u>\$ 1,169,241,293</u>	<u>\$ 1,313,915,664</u>

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
EXPENSES				
Governmental activities:				
General government	\$ 10,311,488	\$ 10,752,935	\$ 16,404,854	\$ 15,160,901
Public safety	17,023,891	18,177,110	20,150,643	22,476,557
Public works	17,720,922	18,765,794	19,233,864	22,300,425
Cultural and recreation	5,205,661	5,013,020	5,617,151	6,501,612
Interest on long-term debt	684,795	1,900,445	1,695,011	1,641,360
Total governmental activities expenses	<u>50,946,757</u>	<u>54,609,304</u>	<u>63,101,523</u>	<u>68,080,855</u>
Business-type activities:				
Water	13,845,199	13,790,680	13,259,467	14,462,500
Water resources	2,840,582	3,505,791	4,406,190	4,555,574
Stormwater	2,632,999	2,752,781	3,047,542	3,493,118
Wastewater	8,021,540	8,023,526	8,231,592	7,985,659
Golf	2,318,379	2,312,927	2,426,425	2,723,815
Community center	4,183,298	4,611,098	5,117,001	6,210,318
Development services	2,446,421	3,113,710	3,763,554	4,346,027
Other non-major enterprises*	-	-	-	-
Total business-type activities expenses	<u>36,288,418</u>	<u>38,110,513</u>	<u>40,251,771</u>	<u>43,777,011</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	2,989,662	3,398,349	3,499,635	3,950,825
Public safety	2,786,966	2,978,129	2,748,927	3,003,469
Public works	1,327,345	2,393,368	2,086,424	2,283,891
Cultural and recreation	1,649,862	2,699,234	2,342,764	2,389,953
Operating grants and contributions	3,620,497	6,415,121	5,930,735	4,798,880
Capital grants and contributions	1,666,066	4,233,013	17,746,543	10,285,470
Total governmental activities program revenues	<u>14,040,398</u>	<u>22,117,214</u>	<u>34,355,028</u>	<u>26,712,488</u>
Business-type activities:				
Charges for services:				
Water	13,607,612	12,272,368	11,484,921	13,027,856
Water resources	6,397,234	6,691,043	7,110,200	7,672,085
Stormwater	1,815,055	1,991,406	2,331,881	2,239,481
Wastewater	7,906,426	8,634,009	8,759,397	9,259,550
Golf	2,649,636	2,677,310	2,773,387	2,783,584
Community center	2,536,342	2,670,239	3,062,365	3,862,296
Development services	3,456,483	4,622,507	4,052,836	4,677,648
Other non-major enterprises*	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	12,831,081	20,162,551	22,959,052	28,827,928
Total business-type activities program revenues	<u>51,199,869</u>	<u>59,721,433</u>	<u>62,534,039</u>	<u>72,350,428</u>
Total primary government program revenues	<u>\$ 65,240,267</u>	<u>\$ 81,838,647</u>	<u>\$ 96,889,067</u>	<u>\$ 99,062,916</u>

* Other non-major enterprise funds reported in 2021 included the Golf, Community Center and Development Services funds

	2016	2017	2018	2019	2020	2021
\$	14,023,404	\$ 15,237,806	\$ 16,128,883	\$ 17,615,169	\$ 19,217,793	\$ 17,709,336
	23,951,068	26,837,846	28,499,674	31,616,925	30,340,170	33,985,779
	25,769,578	27,654,814	29,833,280	37,096,813	32,326,601	35,162,525
	7,677,894	7,590,806	8,201,097	7,995,062	8,360,633	9,020,980
	1,445,842	1,450,707	1,428,837	1,337,305	1,237,504	1,133,978
	<u>72,867,786</u>	<u>78,771,979</u>	<u>84,091,771</u>	<u>95,661,274</u>	<u>91,482,701</u>	<u>97,012,598</u>
	14,817,848	14,838,232	15,599,176	18,519,142	18,921,743	19,025,891
	5,925,682	6,291,869	8,695,784	9,849,461	10,777,309	12,868,540
	4,117,364	4,004,389	4,256,104	4,480,720	4,922,935	5,333,462
	8,054,679	11,365,376	22,442,714	25,748,740	10,161,425	6,227,938
	2,777,471	2,879,397	2,874,399	3,020,217	3,104,291	-
	6,600,250	6,691,990	7,087,816	8,084,639	6,214,007	-
	5,315,651	5,831,788	5,758,964	6,233,635	6,779,057	-
	-	-	-	-	-	18,072,040
	<u>47,608,945</u>	<u>51,903,041</u>	<u>66,714,957</u>	<u>75,936,554</u>	<u>60,880,767</u>	<u>61,527,871</u>
	3,830,017	4,213,469	4,414,744	4,256,832	5,152,731	5,305,672
	3,263,779	3,638,038	4,065,404	4,001,601	4,568,332	5,978,196
	3,248,842	3,407,838	6,312,477	6,473,501	12,479,568	13,385,762
	3,219,809	3,356,506	4,114,858	3,460,974	7,399,434	10,567,882
	4,465,204	4,614,103	5,356,759	6,973,214	12,496,755	13,743,420
	18,645,995	12,562,716	19,443,668	24,506,240	17,892,285	24,557,232
	<u>36,673,646</u>	<u>31,792,670</u>	<u>43,707,910</u>	<u>49,672,362</u>	<u>59,989,105</u>	<u>73,538,164</u>
	14,393,516	17,210,558	16,186,541	18,236,901	19,557,916	18,312,568
	8,206,834	10,537,762	11,459,270	16,465,907	13,410,716	13,731,510
	2,609,893	3,478,385	4,222,729	4,049,342	3,785,567	4,283,861
	9,691,906	10,300,046	11,236,722	11,214,673	11,271,632	11,955,017
	2,971,846	3,057,548	3,132,347	3,189,851	3,629,195	-
	3,852,074	3,804,710	3,908,721	4,430,672	1,962,493	-
	6,292,090	5,720,631	6,492,172	6,304,317	7,567,736	-
	-	-	-	-	-	15,675,271
	-	-	-	-	-	10,092,190
	<u>34,394,316</u>	<u>29,859,373</u>	<u>46,318,722</u>	<u>30,603,260</u>	<u>44,344,837</u>	<u>63,403,645</u>
	<u>82,412,475</u>	<u>83,969,013</u>	<u>102,957,224</u>	<u>94,494,923</u>	<u>105,530,092</u>	<u>137,454,062</u>
\$	<u>119,086,121</u>	<u>\$ 115,761,683</u>	<u>\$ 146,665,134</u>	<u>\$ 144,167,285</u>	<u>\$ 165,519,197</u>	<u>\$ 210,992,226</u>

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>NET (EXPENSE) REVENUE</u>				
Governmental activities	\$ (36,906,359)	\$ (32,492,090)	\$ (28,746,495)	\$ (41,368,367)
Business-type activities	14,911,451	21,610,920	22,282,268	28,573,417
Total primary government net expense	<u>\$ (21,994,908)</u>	<u>\$ (10,881,170)</u>	<u>\$ (6,464,227)</u>	<u>\$ (12,794,950)</u>
<u>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</u>				
Governmental activities				
Taxes				
Property taxes	\$ 949,513	\$ 957,883	\$ 1,004,072	\$ 1,024,564
Sales taxes	30,134,903	33,321,579	35,698,294	38,526,092
Use taxes	4,507,890	5,449,404	4,613,694	5,033,746
Motor vehicle	3,875,769	4,327,109	4,963,693	5,694,180
Other taxes	2,147,887	2,312,906	2,519,409	2,626,034
Interest and investment earnings	254,274	99,790	335,763	274,086
Other revenues	275,280	251,632	363,420	710,521
Transfers	19,464	1,486,707	(1,133,966)	240,024
Total governmental activities	<u>42,164,980</u>	<u>48,207,010</u>	<u>48,364,379</u>	<u>54,129,247</u>
Business-type activities				
Taxes	2,033,108	2,266,010	2,391,546	2,519,151
Interest and investment earnings	468,323	134,476	603,166	504,082
Transfers	(19,464)	(1,486,707)	1,133,966	(240,024)
Total business-type activities	<u>2,481,967</u>	<u>913,779</u>	<u>4,128,678</u>	<u>2,783,209</u>
Total primary government	<u>\$ 44,646,947</u>	<u>\$ 49,120,789</u>	<u>\$ 52,493,057</u>	<u>\$ 56,912,456</u>
<u>CHANGE IN NET POSITION</u>				
Governmental activities	\$ 5,258,621	\$ 15,714,920	\$ 19,617,884	\$ 12,760,880
Business-type activities	17,393,418	22,524,699	26,410,946	31,356,626
Total primary government	<u>\$ 22,652,039</u>	<u>\$ 38,239,619</u>	<u>\$ 46,028,830</u>	<u>\$ 44,117,506</u>

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	(36,194,140)	\$ (46,979,309)	\$ (40,383,861)	\$ (45,988,912)	\$ (31,493,596)	\$ (23,474,434)
	34,803,530	32,065,972	36,242,267	18,558,369	44,649,325	75,926,191
\$	<u>(1,390,610)</u>	<u>\$ (14,913,337)</u>	<u>\$ (4,141,594)</u>	<u>\$ (27,430,543)</u>	<u>\$ 13,155,729</u>	<u>\$ 52,451,757</u>
\$	1,094,337	\$ 1,174,213	\$ 1,330,579	\$ 1,483,121	\$ 1,744,657	\$ 2,241,457
	41,632,958	45,412,814	48,608,882	50,729,264	52,468,081	60,835,980
	7,671,139	7,358,941	8,861,469	8,080,760	10,103,705	10,526,679
	6,125,671	6,334,416	6,808,761	7,560,750	6,296,757	10,377,638
	2,683,156	2,804,922	2,919,175	3,111,497	2,887,574	3,271,042
	322,843	491,214	1,000,045	1,589,888	1,215,566	(31,821)
	303,285	233,717	229,881	135,487	198,225	711,458
	<u>(55,523)</u>	<u>80,520</u>	<u>1,304,270</u>	<u>452,076</u>	<u>(187,657)</u>	<u>35,259</u>
	<u>59,777,866</u>	<u>63,890,757</u>	<u>71,063,062</u>	<u>73,142,843</u>	<u>74,726,908</u>	<u>87,967,692</u>
	2,791,379	3,027,602	3,277,885	3,406,474	3,675,008	4,450,988
	716,226	1,275,244	2,002,069	2,620,319	2,354,651	(160,807)
	<u>55,523</u>	<u>(80,520)</u>	<u>(1,304,270)</u>	<u>(452,076)</u>	<u>187,657</u>	<u>(35,259)</u>
	<u>3,563,128</u>	<u>4,222,326</u>	<u>3,975,684</u>	<u>5,574,717</u>	<u>6,217,316</u>	<u>4,254,922</u>
\$	<u>63,340,994</u>	<u>\$ 68,113,083</u>	<u>\$ 75,038,746</u>	<u>\$ 78,717,560</u>	<u>\$ 80,944,224</u>	<u>\$ 92,222,614</u>
\$	23,583,726	\$ 16,911,448	\$ 30,679,201	\$ 27,153,931	\$ 43,233,312	\$ 64,493,258
	<u>38,366,658</u>	<u>36,288,298</u>	<u>40,217,951</u>	<u>24,133,086</u>	<u>50,866,641</u>	<u>80,181,113</u>
\$	<u>61,950,384</u>	<u>\$ 53,199,746</u>	<u>\$ 70,897,152</u>	<u>\$ 51,287,017</u>	<u>\$ 94,099,953</u>	<u>\$ 144,674,371</u>

TOWN OF CASTLE ROCK, COLORADO

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

	2012	2013	2014	2015
<u>REVENUE SOURCE</u>				
<u>PROGRAM REVENUES</u>				
Charges for services	\$ 47,122,623	\$ 51,027,962	\$ 50,252,737	\$ 55,150,638
Operating grants and contributions	3,620,497	6,415,121	5,930,735	4,798,880
Capital grants and contributions	14,497,147	24,395,564	40,705,595	39,113,398
Total program revenues	<u>65,240,267</u>	<u>81,838,647</u>	<u>96,889,067</u>	<u>99,062,916</u>
<u>GENERAL REVENUES</u>				
Property taxes	949,513	957,883	1,004,072	1,024,564
Sales taxes	31,710,136	35,064,818	37,566,668	40,476,326
Use tax-building and motor vehicle	8,841,534	10,299,284	10,100,559	11,296,843
Other taxes	2,147,887	2,312,906	2,519,409	2,626,034
Investment earnings	722,597	234,266	938,929	778,168
Other	275,280	251,632	363,420	710,521
Total general revenues	<u>44,646,947</u>	<u>49,120,789</u>	<u>52,493,057</u>	<u>56,912,456</u>
Total revenues	<u>\$ 109,887,214</u>	<u>\$ 130,959,436</u>	<u>\$ 149,382,124</u>	<u>\$ 155,975,372</u>

2016	2017	2018	2019	2020	2021
\$ 61,580,606	\$ 68,725,491	\$ 75,545,985	\$ 82,084,571	\$ 90,785,320	\$ 99,195,739
4,465,204	4,614,103	5,356,759	6,973,214	12,496,755	23,835,610
53,040,311	42,422,089	65,762,390	55,109,500	62,237,122	87,960,877
<u>119,086,121</u>	<u>115,761,683</u>	<u>146,665,134</u>	<u>144,167,285</u>	<u>165,519,197</u>	<u>210,992,226</u>
1,094,337	1,174,213	1,330,579	1,483,121	1,744,657	2,241,457
43,742,356	47,732,084	51,064,615	53,320,475	55,296,880	64,093,052
14,478,791	14,401,689	16,492,382	16,456,773	17,246,671	22,098,233
2,683,156	2,804,922	2,919,175	3,111,497	2,887,574	3,271,042
1,039,069	1,766,458	3,002,114	4,210,207	3,570,217	(192,628)
303,285	233,717	229,881	135,487	198,225	711,458
<u>63,340,994</u>	<u>68,113,083</u>	<u>75,038,746</u>	<u>78,717,560</u>	<u>80,944,224</u>	<u>92,222,614</u>
<u>\$ 182,427,115</u>	<u>\$ 183,874,766</u>	<u>\$ 221,703,880</u>	<u>\$ 222,884,845</u>	<u>\$ 246,463,421</u>	<u>\$ 303,214,840</u>

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>GENERAL FUND</u>				
Nonspendable	\$ 2,347,282	\$ 2,394,370	\$ 2,310,718	\$ 2,634,861
Restricted	1,165,617	1,392,346	1,492,076	1,633,328
Committed	5,777,848	5,948,954	2,995,860	3,011,282
Assigned	509,931	986,870	270,941	876,594
Unassigned	<u>12,434,317</u>	<u>12,135,511</u>	<u>13,929,961</u>	<u>13,905,280</u>
Total general fund	<u>\$ 22,234,995</u>	<u>\$ 22,858,051</u>	<u>\$ 20,999,556</u>	<u>\$ 22,061,345</u>
<u>ALL OTHER GOVERNMENTAL FUNDS</u>				
Nonspendable	\$ 32,773	\$ 38,230	\$ 36,208	\$ 851,972
Restricted	5,662,923	32,760,951	6,731,011	7,963,605
Committed	24,951,053	36,569,124	31,480,395	14,832,926
Unassigned	<u>(887,594)</u>	<u>(812,262)</u>	<u>(717,329)</u>	<u>(2,424,048)</u>
Total all other governmental funds	<u>\$ 29,759,155</u>	<u>\$ 68,556,043</u>	<u>\$ 37,530,285</u>	<u>\$ 21,224,455</u>

2016	2017	2018	2019	2020	2021
\$ 2,724,800	\$ 6,273,689	\$ 5,433,140	\$ 4,591,792	\$ 3,451,699	\$ 2,562,431
1,670,055	1,754,607	1,898,642	2,052,460	11,881,852	14,132,450
4,632,978	5,561,036	6,390,596	5,164,845	7,475,925	6,990,816
220,782	1,501,424	6,057,187	2,145,008	3,077,600	2,797,363
16,148,395	14,319,577	12,517,874	15,592,815	21,102,116	20,592,991
<u>\$ 25,397,010</u>	<u>\$ 29,410,333</u>	<u>\$ 32,297,439</u>	<u>\$ 29,546,920</u>	<u>\$ 46,989,192</u>	<u>\$ 47,076,051</u>
\$ 57,940	\$ 63,269	\$ 65,643	\$ 72,486	\$ 77,008	\$ 75,306
7,729,860	10,843,652	16,322,110	14,832,399	26,632,223	52,714,891
14,037,404	13,306,523	16,030,561	12,430,285	21,125,135	28,699,195
(1,050,283)	(1,318,438)	(3,042,089)	(2,641,730)	(930,030)	(295,665)
<u>\$ 20,774,921</u>	<u>\$ 22,895,006</u>	<u>\$ 29,376,225</u>	<u>\$ 24,693,440</u>	<u>\$ 46,904,336</u>	<u>\$ 81,193,727</u>

TOWN OF CASTLE ROCK, COLORADO

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

	2012	2013	2014	2015
REVENUES				
Taxes				
Property	\$ 949,513	\$ 957,883	\$ 1,004,072	\$ 1,024,564
Sales	30,134,903	33,321,579	35,698,294	38,526,092
Use	4,507,890	5,449,404	4,613,694	5,033,746
Motor vehicle	3,875,769	4,327,109	4,963,693	5,694,180
Other	2,147,887	2,312,906	2,519,409	2,626,034
Development impact fees	3,432,150	5,864,237	5,684,787	5,691,343
Licenses and permits	221,699	212,174	192,421	232,611
Charges for services	1,510,390	1,820,335	1,813,775	1,979,765
Management fees	2,599,023	2,501,728	2,489,606	2,770,586
Fines and forfeitures	484,226	361,104	542,459	815,713
Intergovernmental	3,470,817	5,598,398	5,680,885	7,751,453
Investment earnings	226,911	93,667	316,903	255,876
Contributions and donations	614,653	848,837	791,224	604,013
Other	553,773	552,048	543,221	895,230
Total revenues	<u>54,729,604</u>	<u>64,221,409</u>	<u>66,854,443</u>	<u>73,901,206</u>
EXPENDITURES				
Current				
General government	8,897,958	9,711,316	15,328,617	12,756,053
Public safety	17,050,118	18,362,513	19,917,911	22,187,805
Public works	8,666,415	9,712,423	10,009,814	13,155,869
Culture and recreation	3,647,476	3,384,239	3,668,965	3,929,160
Capital Outlay	7,134,263	13,354,103	46,800,960	33,319,262
Debt service				
Principal	1,595,202	1,049,880	1,605,087	1,742,800
Interest	657,813	1,330,288	1,808,034	1,748,126
Debt issue costs	-	555,661	-	-
Agency fees	750	400	2,700	2,700
Total expenditures	<u>47,649,995</u>	<u>57,460,823</u>	<u>99,142,088</u>	<u>88,841,775</u>
Excess of revenues over (under) expenditures	<u>7,079,609</u>	<u>6,760,586</u>	<u>(32,287,645)</u>	<u>(14,940,569)</u>
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	1,318,423	17,155,293	11,015,492	6,973,840
Payment to escrow agent	-	-	-	-
Transfers out	(1,317,838)	(16,370,405)	(12,550,502)	(7,277,312)
Total other financing sources (uses)	<u>270,552</u>	<u>32,659,358</u>	<u>(596,608)</u>	<u>(303,472)</u>
Net change in fund balances Fund balances	<u>\$ 7,350,161</u>	<u>\$ 39,419,944</u>	<u>\$ (32,884,253)</u>	<u>\$ (15,244,041)</u>
Debt service as a percentage of noncapital expenditures	<u>5.56%</u>	<u>5.40%</u>	<u>6.52%</u>	<u>6.29%</u>

	2016	2017	2018	2019	2020	2021
\$	1,094,337	\$ 1,174,213	\$ 1,330,579	\$ 1,483,121	\$ 1,744,657	\$ 2,241,457
	41,632,958	45,412,814	48,608,882	50,729,264	52,072,342	61,231,719
	7,671,139	7,358,941	8,861,469	8,080,760	10,103,705	10,526,679
	6,125,671	6,334,416	6,808,761	7,560,750	6,296,757	10,377,638
	2,683,156	2,804,922	2,919,175	3,111,497	2,887,574	3,271,042
	7,607,698	7,989,231	11,921,883	11,153,802	21,895,968	26,242,454
	232,540	242,533	236,904	272,487	264,692	265,652
	2,244,591	2,326,651	2,633,658	2,564,419	2,268,335	3,607,655
	2,886,561	3,274,465	3,434,368	3,421,034	4,308,917	4,304,660
	440,519	399,681	412,374	402,875	270,019	289,720
	5,692,037	4,327,153	6,084,390	8,250,439	12,313,151	15,641,097
	296,617	447,166	918,709	1,477,480	1,129,238	(30,161)
	581,070	792,259	658,018	1,388,440	556,530	2,406,422
	457,493	584,629	418,087	423,667	717,982	736,255
	<u>79,646,387</u>	<u>83,469,074</u>	<u>95,247,257</u>	<u>100,320,035</u>	<u>116,829,867</u>	<u>141,112,289</u>
	12,308,420	13,937,216	14,895,787	16,413,940	18,150,269	16,671,598
	23,545,337	25,971,232	29,010,161	30,490,734	29,460,283	34,096,630
	15,706,515	16,239,204	17,695,519	24,577,746	17,596,280	21,458,326
	4,858,749	4,712,621	5,341,350	5,464,112	5,007,153	6,043,312
	19,132,373	12,269,269	16,282,437	25,849,836	13,370,735	25,390,399
	1,802,801	1,277,801	1,075,000	3,720,000	1,530,000	1,580,000
	1,583,329	1,649,039	1,613,005	1,527,647	1,316,606	1,398,937
	159,890	-	-	-	388,511	-
	2,625	2,850	2,704	2,600	2,600	5,000
	<u>79,100,039</u>	<u>76,059,232</u>	<u>85,915,963</u>	<u>108,046,615</u>	<u>86,822,437</u>	<u>106,644,202</u>
	<u>546,348</u>	<u>7,409,842</u>	<u>9,331,294</u>	<u>(7,726,580)</u>	<u>30,007,430</u>	<u>34,468,087</u>
	-	-	-	-	-	-
	-	-	-	-	1,467,716	-
	7,405,000	-	-	-	27,035,000	-
	2,500,000	-	-	-	-	-
	1,389,503	-	-	-	(16,747)	-
	8,130,962	4,240,560	5,120,410	5,264,477	3,384,501	2,377,505
	(8,659,717)	-	-	-	(18,452,327)	-
	(8,425,965)	(5,516,994)	(5,083,379)	(4,971,201)	(3,772,405)	(2,469,342)
	<u>2,339,783</u>	<u>(1,276,434)</u>	<u>37,031</u>	<u>293,276</u>	<u>9,645,738</u>	<u>(91,837)</u>
\$	<u>2,886,131</u>	<u>\$ 6,133,408</u>	<u>\$ 9,368,325</u>	<u>\$ (7,433,304)</u>	<u>\$ 39,653,168</u>	<u>\$ 34,376,250</u>
	5.65%	4.59%	3.86%	6.38%	3.88%	3.67%

Revenue Capacity

TOWN OF CASTLE ROCK, COLORADO

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

Year	Property Taxes (1)	Sales and Use Taxes	Motor Vehicle	Other Taxes	Total
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
2021	2,241,457	71,758,398	10,377,638	3,271,042	87,648,535

(1) Amounts include Property Tax Increment Financing (TIF)

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>GOVERNMENTAL ACTIVITIES</u>				
General government	\$ 10,311,488	\$ 10,752,935	\$ 16,404,854	\$ 15,160,901
Public safety	17,023,891	18,177,110	20,150,643	22,476,557
Public works	17,720,922	18,765,794	19,233,864	22,300,425
Cultural and recreation	5,205,661	5,013,020	5,617,151	6,501,612
Interest on long-term debt	684,795	1,900,445	1,695,011	1,641,360
Total governmental activities	<u>50,946,757</u>	<u>54,609,304</u>	<u>63,101,523</u>	<u>68,080,855</u>
<u>BUSINESS-TYPE ACTIVITIES</u>				
Water	13,845,199	13,790,680	13,259,467	14,462,500
Water resources	2,840,582	3,505,791	4,406,190	4,555,574
Stormwater	2,632,999	2,752,781	3,047,542	3,493,118
Wastewater	8,021,540	8,023,526	8,231,592	7,985,659
Golf course	2,318,379	2,312,927	2,426,425	2,723,815
Community center	4,183,298	4,611,098	5,117,001	6,210,318
Development services	2,446,421	3,113,710	3,763,554	4,346,027
Other non-major enterprises*	-	-	-	-
Total business-type activities	<u>36,288,418</u>	<u>38,110,513</u>	<u>40,251,771</u>	<u>43,777,011</u>
Total all activities	<u>\$ 87,235,175</u>	<u>\$ 92,719,817</u>	<u>\$ 103,353,294</u>	<u>\$ 111,857,866</u>

* Other non-major enterprise funds reported in 2021 included the Golf, Community Center and Development Services funds

	2016	2017	2018	2019	2020	2021
\$	14,023,404	\$ 15,237,806	\$ 16,128,883	\$ 17,615,169	\$ 19,217,793	\$ 17,709,336
	23,951,068	26,837,846	28,499,674	31,616,925	30,340,170	33,985,779
	25,769,578	27,654,814	29,833,280	37,096,813	32,326,601	35,162,525
	7,677,894	7,590,806	8,201,097	7,995,062	8,360,633	9,020,980
	1,445,842	1,450,707	1,428,837	1,337,305	1,237,504	1,133,978
	<u>72,867,786</u>	<u>78,771,979</u>	<u>84,091,771</u>	<u>95,661,274</u>	<u>91,482,701</u>	<u>97,012,598</u>
	14,817,848	14,838,232	15,599,176	18,519,142	18,921,743	19,025,891
	5,925,682	6,291,869	8,695,784	9,849,461	10,777,309	12,868,540
	4,117,364	4,004,389	4,256,104	4,480,720	4,922,935	5,333,462
	8,054,679	11,365,376	22,442,714	25,748,740	10,161,425	6,227,938
	2,777,471	2,879,397	2,874,399	3,020,217	3,104,291	-
	6,600,250	6,691,990	7,087,816	8,084,639	6,214,007	-
	5,315,651	5,831,788	5,758,964	6,233,635	6,779,057	-
	-	-	-	-	-	18,072,040
	<u>47,608,945</u>	<u>51,903,041</u>	<u>66,714,957</u>	<u>75,936,554</u>	<u>60,880,767</u>	<u>61,527,871</u>
\$	<u>120,476,731</u>	<u>\$ 130,675,020</u>	<u>\$ 150,806,728</u>	<u>\$ 171,597,828</u>	<u>\$ 152,363,468</u>	<u>\$ 158,540,469</u>

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
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
2021	16,671,598	34,096,630	21,458,326	6,043,312

Capital Outlay	Debt Service	Total
\$ 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
25,390,399	2,983,937	106,644,202

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
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	1,085,962	97.24%
2016	2017	1,165,838	1,132,676	97.16%
2017	2018	1,282,528	1,196,447	93.29%
2018	2019	1,353,067	1,260,995	93.20%
2019	2020	1,405,352	1,332,644	94.83%
2020	2021	1,483,041	1,387,051	93.53%

(1) The amount collected in prior years included the Property Tax Increment Financing (TIF) which represents property taxes collected above the mill levy. The amounts related to TIF have been removed in the current year presentation.

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

Collections/ Abatements for Previous Years	Total Collections To Date	
	Amount	Percentage Of Levy
\$ (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)	1,085,236	97.17%
(735)	1,131,941	97.09%
(1,943)	1,194,504	93.14%
(3,065)	1,257,930	92.97%
(2,051)	1,330,593	94.68%
(3,986)	1,383,065	93.26%

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
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
2021	840,330,910	87,300,210	552,411,530	32,853,640	2,884,800

Source: Douglas County Assessor's Office

<u>Personal Property</u>	<u>Less: Tax Exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value As a Percentage of Actual Value</u>
\$ 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%
54,965,020	250,302,440	1,320,443,670	1.139	13,219,987,961	9.99%

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX RATES (MILLS)

DIRECT AND OVERLAPPING GOVERNMENTS ⁽¹⁾

LAST TEN YEARS

TABLE 11 (UNAUDITED)

Levy Year	Collection Year	Direct Rate								
		Town ⁽³⁾	Douglas County School District RE-1	Douglas County ⁽⁴⁾	Cedar Hill Cemetery	Cherry Creek Basin Authority	Douglas County Library District	Bella Mesa	Castle Oaks	Castlewood Ranch
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	20.000	50.000	40.000
2017	2018	1.330	38.996	24.274	0.148	0.453	4.021	20.000	55.277	40.000
2018	2019	1.330	44.950	24.274	0.148	0.479	4.008	20.000	50,422-55,277	40.000
2019	2020	1.196	43,839	23,774	0.128	0.451	4,023	20,000	49,000-55,664	40,000
2020	2021	1.196	43,504	23,774	0.128	0.478	4,012	75,664	49,000-52,953	40,000
2021	2022	1.139	43,797	23,024	0.124	0.479	4,021	75,664	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	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
85.442	74,625	2,000-45,000	45,000	88,683	75,121	32,500	35,000	0,000	4,462-88,683

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Food & General Merchandise	\$ 8,829,818	\$ 9,408,215	\$ 9,817,626	\$ 10,327,221
Apparel & Accessories	5,684,757	6,327,660	6,662,644	6,974,642
Hotels, Restaurants & Bars	3,598,225	4,012,913	4,279,072	4,646,388
Misc Retail	2,572,575	2,924,378	3,219,572	3,464,970
Utilities	1,771,021	1,983,954	2,106,045	2,080,306
Audit & Collections Revenue	74,615	69,524	170,701	777,210
Communications	1,329,834	1,209,491	1,239,425	1,329,241
Home & Garden	2,150,650	2,406,044	2,600,920	2,826,269
Autos & Auto Items	1,585,930	1,677,871	1,827,115	2,046,740
Furniture & Home Décor	616,076	849,162	1,067,807	1,164,759
Leasing & Rentals	420,846	450,731	517,530	618,217
Services	528,748	630,009	648,057	715,803
Agriculture & Construction	461,286	593,868	665,826	754,798
Wholesale & Manufacturing	388,896	646,284	642,773	571,316
Total	<u>\$ 30,013,277</u>	<u>\$ 33,190,104</u>	<u>\$ 35,465,113</u>	<u>\$ 38,297,880</u>
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

2016	2017	2018	2019	2020	2021
\$ 10,896,117	\$ 12,944,153	\$ 14,231,685	\$ 13,530,600	\$ 16,126,637	\$ 18,092,088
7,376,674	8,147,394	8,144,044	7,659,585	5,824,649	8,241,804
5,335,604	5,580,192	6,006,785	6,453,452	6,048,091	7,917,186
3,765,358	4,168,474	5,164,182	6,228,567	8,482,200	10,747,164
2,036,135	2,108,077	2,254,822	2,307,618	2,186,038	2,574,033
448,084	356,768	510,401	1,324,025	1,759,921	792,506
1,483,165	1,341,322	1,423,855	1,404,425	1,262,109	1,281,106
3,178,848	3,307,815	3,445,425	3,703,262	4,527,502	5,001,741
2,217,388	2,151,300	2,238,964	2,225,167	2,377,799	2,898,488
1,340,636	1,333,269	1,331,718	1,537,699	1,730,813	2,211,187
810,962	937,871	1,073,077	1,238,673	1,231,803	1,242,254
1,036,407	1,012,432	985,284	939,705	963,484	1,180,490
947,715	876,884	859,042	1,557,688	1,803,726	1,747,926
880,508	902,483	765,363	663,780	576,370	781,645
\$ 41,753,601	\$ 45,168,434	\$ 48,434,646	\$ 50,774,245	\$ 54,901,140	\$ 64,709,618
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
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%
2021	4.0%	1.0%	2.9%

Source: Colorado Department of Revenue



This page left blank intentionally

TOWN OF CASTLE ROCK, COLORADO

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

Remitter	2021			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Food & General Merchandise	99	2.92%	\$ 18,092,088	27.96%
Misc Retail	1,458	43.05%	10,747,164	16.61%
Apparel & Accessories	147	4.34%	8,241,804	12.74%
Hotels, Restaurants & Bars	253	7.47%	7,917,186	12.23%
Home & Garden	73	2.16%	5,001,741	7.73%
Autos & Auto Items	118	3.48%	2,898,488	4.48%
Utilities	3	0.09%	2,574,033	3.98%
Furniture & Home Décor	132	3.90%	2,211,187	3.42%
Agricultural and Construction	186	5.49%	1,747,926	2.70%
Communications	108	3.19%	1,281,106	1.98%
Audit Revenue	Not a top ten category in 2021			
Total top ten categories	<u>2,577</u>	<u>76.09%</u>	<u>\$ 60,712,723</u>	<u>93.82%</u>
All other categories	810	23.91%	3,996,895	6.18%
Total	<u>3,387</u>	<u>100.00%</u>	<u>\$ 64,709,618</u>	<u>100.00%</u>

Source: Town of Castle Rock Sales Tax Department

2012

Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
125	3.97%	\$ 8,829,818	29.42%
525	16.67%	2,572,575	8.57%
236	7.49%	5,684,757	18.94%
250	7.94%	3,598,225	11.99%
50	1.59%	2,150,650	7.17%
166	5.27%	1,585,930	5.28%
2	0.06%	1,771,021	5.90%
103	3.27%	616,076	2.05%
Not a top ten category in 2012			
184	5.84%	1,329,834	4.43%
1	0.03%	74,615	0.25%
1,642	52.14%	\$ 28,213,501	94.00%
1,507	47.86%	\$ 1,799,776	6.00%
3,149	100.00%	\$ 30,013,277	100.00%

Debt Capacity



This page left blank intentionally

TOWN OF CASTLE ROCK, COLORADO

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

Year	Governmental Activities				Business-type Activities	
	Revenue Bonded Debt (1)	Certificates of Participation (4)	Capital Leases	Notes Payable	Revenue Bonded Debt (1)	Certificates of Participation (4)
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	-	-	58,846,032	-
2021	25,868,270	16,227,093	-	-	53,974,346	-

(1) Presented net of discounts and premiums

(2) Personal income is disclosed on Table 22

(3) US Census Bureau

(4) Amounts presented from 2012 through 2019 are presented prior to discounts and premiums. Amounts presented from 2020 and onward are presented net of discounts and premiums.

Capital Leases	Notes Payable	Total Government	Percentage of Personal Income (2)	Population (3)	Per Capita
\$ 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	111,982,174	3.34%	75,857	1,476
110,777	9,500,000	105,680,486	2.96%	80,379	1,315

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
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%	-
2021	80,379	-	-	0%	-

Source: Town of Castle Rock Finance Department.

TOWN OF CASTLE ROCK, COLORADO

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2021
TABLE 17 (UNAUDITED)**

	Assessed	Bonds	Applicable Net Debt	
	Valuation	Outstanding	%	Amount
<u>Governmental Entity</u>				
Overlapping Debt: ⁽¹⁾				
Douglas County School District Re-1	\$ 8,139,902,550	\$ 419,585,000	16.222%	\$ 68,064,495
Bella Mesa Metro	4,164,150	22,705,000	100.000%	22,705,000
Castle Oaks Metro District #1, 3, 4	65,016,220	48,910,000	100.000%	48,910,000
Castle Pines Commercial Metro #1, 3, 4	22,800,240	5,240,000	100.000%	5,240,000
Castlevue Metro #2	2,258,600	3,693,000	100.000%	3,693,000
Castlewood Ranch Metro District	44,086,240	15,180,000	100.000%	15,180,000
Crowfoot Valley Ranch Metro #2	8,657,680	31,945,000	100.000%	31,945,000
Crystal Crossing Metro District	11,302,100	8,030,000	100.000%	8,030,000
Crystal Valley Metro District #2	87,183,780	56,660,000	100.000%	56,660,000
Lanterns Metro #2	3,351,130	25,482,000	100.000%	25,482,000
Maher Ranch Metro District #4	36,270,500	17,162,000	100.000%	17,162,000
Meadows Metro District #1, 2, 7	148,203,450	70,000,000	100.000%	70,000,000
Subtotal, overlapping debt	<u>\$ 8,573,196,640</u>	<u>\$ 724,592,000</u>		<u>\$ 373,071,495</u>
The Town of Castle Rock direct debt ⁽²⁾				<u>42,095,363</u>
Total direct and overlapping debt				<u>\$ 415,166,858</u>

(1) This amount includes General Obligation Bonded Debt. The following entities also overlap the Town, but have no general obligation debt outstanding: Castle Oaks Metro #2, Castle Pines Commercial Metro #2 and #5, Castle Rock Fire Protection, Castleton Center Water and Sanitation, Castlevue Metro #1, Cedar Hill Cemetery, Cherry Creek Basin Water Quality Authority, Crowfoot Valley Ranch Metro #1, Crystal Valley Metro #1, Dawson Ridge Metro #1-5, Douglas County, Douglas County Law Enforcement Authority, Douglas County Public Library, Founders Village Metro, Franktown Fire, Hillside at Castle Rock Metro, Lanterns Metro #1, #3-5, Meadows Metro #3-6, Pinery West Metro #3, Promenade at Castle Rock Metro #1-3, Silver Heights Water and Sanitation, Villages at Castle Rock Metro #4, #6, #7 and #9, Vistas at Rock Canyon Metro, 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 or net pension liability.

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

Town of Castle Rock 1,320,443,670
Assessed Valuation

*Plum Creek Metro District dissolved in December 2015

TOWN OF CASTLE ROCK, COLORADO

**PLEDGED REVENUE COVERAGE
LAST TEN YEARS
TABLE 19 (UNAUDITED)**

Transportation Revenue Bonds

Year	Sales and Use Tax Revenues ⁽¹⁾	Annual Debt Service			Coverage Ratio ⁽²⁾	Maximum Annual Debt Service	
		Principal	Interest	Total		Principal and Interest ⁽³⁾	Coverage Ratio ⁽²⁾
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
2021	28,833,679	1,180,000	701,157	1,881,157	15.33	2,254,203	12.79

(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)

<u>Water and Wastewater Fund Revenue Bonds and Notes</u>									
Year				Annual Debt Service			Coverage Ratio ⁽⁵⁾	Max Annual Debt Service	
	Gross Resources ⁽¹⁾	Expenses ⁽²⁾	Net Pledged Revenue ⁽³⁾	Principal	Interest	Total		Principal and Interest ⁽⁴⁾	Coverage Ratio ⁽⁵⁾
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	27,925,785	44,471,823	3,630,000	2,154,083	5,784,083	7.69	5,866,200	7.58
2021	89,965,260	24,108,561	65,856,699	3,775,000	2,041,425	5,816,425	11.32	5,866,200	11.23

(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)

<u>Golf Fund Revenue Bonds</u>				<u>Annual Debt Service</u>				<u>Max Annual Debt Service</u>	
<u>Year</u>	<u>Gross Resources</u> ⁽¹⁾	<u>Expenses</u> ⁽²⁾	<u>Net Pledged Revenue</u> ⁽³⁾	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Coverage Ratio</u> ⁽⁴⁾	<u>Principal and Interest</u> ⁽⁵⁾	<u>Coverage Ratio</u> ⁽⁶⁾
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
2021	4,101,543	3,002,719	1,098,824	410,000	89,375	499,375	2.20	500,637	2.19

- (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.



This page left blank intentionally

Demographic and Economic Information

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
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)
2021	80,379 (6)	28,492,015	44,419 (1)	35.2 (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)	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
2.88	(1)	5.8%	12,811

TOWN OF CASTLE ROCK, COLORADO

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

Company	2021		Percentage of Total Town Employment
	Number of FTEs*	Rank	
Douglas County	1500-2250	1	11%
Douglas County School District	1000-1500	2	8%
Town of Castle Rock	750-1000	3	5%
Castle Rock Adventist Hospital	501-750	4	4%
Castle Rock Homes / Keller Williams	400-550	5	3%
Wal-Mart	251-400	6	2%
Elite Surface Infrastructure	200-350	7	2%
Kohl's	101-200	8	1%
Brookside Inn	101-200	9	1%
Sunset Stone	101-200	10	1%
Kroger / King Soopers			
Medved Autoplex			
Philip S. Miller Library			
Lowe's			
Home Depot			

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

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

2012

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

TOWN OF CASTLE ROCK, COLORADO

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

Taxpayer	Type of Business	Rank	2021	
			Taxable Assessed Valuation	% of Town Taxable Assessed Valuation
<u>Utilities</u>				
Public Service Co of Colorado (XCEL)	Telecommunications			
CORE Electric Cooperative FKA Intermountain Rural Electric Assoc	Electric	2	\$ 8,247,140	0.62%
QWEST Corporation / Centurylink Communications	Telecommunications			
Burlington Northern Santa Fe Railway Company	Railroad			
Union Pacific Corp.	Railroad			
AT&T Mobility LLC	Telecommunications			
Cellco Partnership	Telecommunications			
TOTAL UTILITIES			<u>\$ 8,247,140</u>	<u>0.62%</u>
<u>Non-Utility</u>				
Dillon Companies Inc	Commercial	5	\$ 6,546,470	0.50%
GKT Castle Rock PG1, PG2 & PG3 LLC	Commercial	3	7,372,220	0.56%
TKG Castle Rock Colorado LLC	Commercial	4	6,730,650	0.51%
EQR Ledges LLC	Commercial	6	6,134,700	0.46%
Echo Ridge Holdings LLC	Commercial	7	6,077,500	0.46%
Riverwalk Castle Rock LLC	Commercial	8	5,497,860	0.42%
Brock Associates III LLC	Commercial	9	5,494,570	0.42%
AVB Meadows LLC c/o Avalon Bay Communities Inc	Commercial	10	4,719,000	0.36%
Craig Realty Group Castle Rock, LLC	Commercial	1	20,641,320	1.56%
Caro Land Co., LLC	Commercial			
Castle Rock Development Company	Commercial			
TOTAL NON-UTILITY			<u>\$ 69,214,290</u>	<u>5.24%</u>
Other Taxpayers			\$ 1,242,982,240	94.13%
Assessed Valuation			\$ 1,320,443,670	100.00%

Source: Douglas County Treasurer's Office

2012		
Rank	Taxable Assessed Valuation	% of Town Taxable Assessed Valuation
3	\$ 47,490,100	8.17%
1	54,898,400	9.44%
2	48,844,800	8.40%
5	7,215,100	1.24%
7	6,247,700	1.07%
9	5,147,100	0.89%
6	6,436,600	1.11%
	<u>\$ 176,279,800</u>	<u>30.31%</u>

4	\$ 18,560,000	3.19%
10	4,213,560	0.72%
8	5,250,910	0.90%
	<u>\$ 28,024,470</u>	<u>4.82%</u>

\$ 377,262,599	64.87%
\$ 581,566,869	100.00%

Operating Information

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
<u>Function/Program</u>										
General government	64	67	70	81	78	97	90	96	96	95
Public safety	141	161	161	163	174	189	205	219	223	215
Public works	39	40	38	40	38	47	54	63	56	65
Cultural and recreation	20	21	21	21	25	28	30	30	29	31
Water	41	47	47	55	59	67	66	75	80	85
Water resources	2	2	3	3	4	6	8	7	7	8
Wastewater	5	5	4	4	3	4	5	8	7	7
Stormwater	4	5	8	8	10	11	11	10	10	9
Golf	6	6	6	8	8	12	10	11	10	11
Community center	16	15	16	16	17	20	26	22	21	25
Development services	9	23	28	32	41	49	54	49	54	53
Total	<u>347</u>	<u>392</u>	<u>402</u>	<u>431</u>	<u>454</u>	<u>530</u>	<u>558</u>	<u>590</u>	<u>593</u>	<u>604</u>

Source: Town of Castle Rock Finance Department

TOWN OF CASTLE ROCK, COLORADO

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

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Governmental activities:</u>				
General government				
Number of payroll checks issued	15,167	16,012	17,889	18,816
Number of new employees hired	30	73	44	65
Number of resolutions passed	82	86	110	112
Number of ordinances passed	31	40	37	60
Public safety				
Number of arrests	380	1,248	1,891	1,271
Number of police calls	56,266	64,116	71,062	73,827
Number of fire calls	77	75	56	61
Number of medical calls	2,539	2,651	2,812	3,199
Public works				
Number of snow removal hours	3,442	5,016	8,102	7,703
Culture and recreation				
Number of golf rounds	36,201	33,811	35,053	35,086
Recreation center attendance	290,772	304,343	311,209	318,989
<u>Business-type activities:</u>				
Water				
Number of customer accounts	16,520	17,391	18,132	18,961
Average daily consumption - million gallons	6.56	6.14	6.06	6.49
Development Services				
Number of new construction permits issued	539	847	828	928
Number of remodel permits issued	5,200	3,414	2,820	2,907

(1) Includes attendance for new Miller Activity Complex.

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

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
20,231	21,201	22,176	23,665	20,876	21,828
70	69	72	66	70	64
114	105	105	133	125	117
42	30	43	42	24	33
1,358	1,657	1,561	1,391	1,042	1,240
73,290	71,690	69,411	69,234	63,753	58,093
78	89	100	75	98	87
3,204	3,529	3,418	3,672	3,370	3,851
4,597	3,364	2,060	7,728	4,706	3,155
39,926	40,002	40,756	38,837	43,350	49,330
435,810 (1)	395,595	374,555	316,473	218,136	364,485
19,430	20,662	21,878	21,189	23,989	25,029
7.11	7.27	7.88	7.78	8.85	8.79
1,212	1,031	1,785	1,043	1,234	1,348
6,954	2,706	2,260	3,887	3,889	3,804

TOWN OF CASTLE ROCK, COLORADO

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

<u>Function/Program</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>Governmental activities:</u>				
General government				
Number of Town-owned facilities	10	10	11	11
Public safety				
Number of police stations	1	1	1	1
Number of vehicular patrol units	26	34	34	34
Number of fire stations	4	4	4	4
Public works				
Miles of streets	550	564	604	619
Number of traffic signals	31	31	31	31
Number of street lighting fixtures	470	521	521	521
Culture and recreation				
Acres of developed parks	276	276	316	533
Acres of open space	2,732	2,732	2,728	2,778
Number of pools	3	3	4	4
Golf courses	1	1	1	1
Number of tennis courts	11	7	7	7
Number of ball fields	22	24	24	24
<u>Business-type activities:</u>				
Water				
Miles of water mains	366	382	385	390
Sanitary sewer and storm:				
Miles of sewer lines	256	261	263	270
Miles of storm sewers	142	142	142	143

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

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
11	11	13	16	17	17
1	1	1	1	1	1
37	39	40	45	47	51
4	4	5	5	5	5
646	667	689	695	711	730
36	38	42	43	44	44
630	639	668	876	876	685
585	606	611	612	619	792
2,877	2,931	2,925	3,040	2,934	3,452
4	4	4	4	4	4
1	1	1	1	1	1
7	7	12	12	10	10
24	24	20	20	22	22
393	401	420	455	470	485
271	275	288	303	309	313
143	149	157	170	179	185

TOWN OF CASTLE ROCK, COLORADO

MISCELLANEOUS STATISTICS AS OF DECEMBER 31, 2021 TABLE 28 (UNAUDITED)

Date of incorporation	1881
Home rule charter adopted	1987
Form of government	Council - Manager
Area - Square miles	34.71
Population (estimate)	80,379
Fire Protection	
Number of stations	5
Number of paid firefighters	98
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)	12,811
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)	5,152
Building permits value	\$62,154,217
Employees: (excluding Police and Fire)	
Full-time	379
Part-time	593

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: Town of Castle Rock
		YEAR ENDING : December 2021
This Information From The Records Of: Town of Castle Rock	Prepared By: Phone:	Katie Baker 720-733-3589

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	19,021,517
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	3,612,563
2. General fund appropriations	302,204	b. Snow and ice removal	0
3. Other local imposts (from page 2)	46,082,260	c. Other	7,597,983
4. Miscellaneous local receipts (from page 2)	2,825,949	d. Total (a. through c.)	11,210,546
5. Transfers from toll facilities		4. General administration & miscellaneous	438,581
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	302,204
a. Bonds - Original Issues		6. Total (1 through 5)	30,972,848
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	702,157
7. Total (1 through 6)	49,210,413	b. Redemption	1,180,000
B. Private Contributions		c. Total (a. + b.)	1,882,157
C. Receipts from State government (from page 2)	2,351,476	2. Notes:	
D. Receipts from Federal Government (from page 2)	2,040,451	a. Interest	0
E. Total receipts (A.7 + B + C + D)	53,602,340	b. Redemption	0
		c. Total (a. + b.)	0
		3. Total (1.c + 2.c)	1,882,157
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	32,855,005

IV. LOCAL HIGHWAY DEBT STATUS
(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	26,215,000	0	1,180,000	25,035,000
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
	31,634,734	53,602,340	32,855,005	52,382,069	0

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2021	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments		a. Interest on investments	(13,485)
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	30,130,544	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	13,385,655	d. Parking Meter Fees	
3. Liens	0	e. Sale of Surplus Property	
4. Licenses	0	f. Charges for Services	
5. Specific Ownership &/or Other	2,566,061	g. Other Misc. Receipts	
6. Total (1. through 5.)	46,082,260	h. Other	2,839,434
c. Total (a. + b.)	46,082,260	i. Total (a. through h.)	2,825,949
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	2,068,273	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	283,203	f. Other Federal	2,040,451
f. Total (a. through e.)	283,203	g. Total (a. through f.)	2,040,451
4. Total (1. + 2. + 3.f)	2,351,476	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	620,984	0	620,984
b. Engineering Costs	2,206,555	392,080	2,598,635
c. Construction:			
(1). New Facilities	0	0	0
(2). Capacity Improvements	55,555	3,622,766	3,678,321
(3). System Preservation	0	11,142,980	11,142,980
(4). System Enhancement & Operation	0	980,597	980,597
(5). Total Construction (1) + (2) + (3) + (4)	55,555	15,746,343	15,801,898
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	2,883,094	16,138,423	19,021,517
			(Carry forward to page 1)
Notes and Comments:			



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

General Information: 303-660-1015
www.crgov.com