

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

TOWN OF FIRESTONE
FIRESTONE, COLORADO



Prepared by the Finance Department

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TOWN OF FIRESTONE, COLORADO
 Comprehensive Annual Financial Report
 For the Fiscal Year Ended December 31, 2021

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June 7, 2022

To the Honorable Mayor, members of the Board of Trustees (the “Trustees”), and citizens of the Town of Firestone (the “Town”):

State law requires that all general-purpose local governments publish a complete set of financial statements presented in conformity with generally accepted accounting principles in the United States (“GAAP”) and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual financial report of the Town of Firestone for the fiscal year ended December 31, 2021.

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

Fiscal Focus Partners, LLC, a firm of licensed certified public accountants, has audited the Town’s financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the Town for the fiscal year ended December 31, 2021 are free of material misstatement. The independent audit involved: examining on a test basis evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded that, based upon the audit, there was a reasonable basis for rendering an unmodified opinion that the Town’s financial statements for the fiscal year ended December 31, 2021, are fairly presented in conformity with GAAP. The independent auditors report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (“MD&A”). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The Town’s MD&A can be found immediately following the report of the independent auditor.

PROFILE OF THE TOWN OF FIRESTONE

The Town incorporated in 1908, is located on the northern fringe of the Denver metropolitan area of Colorado. The Town has a current area of 14.35 square miles and serves a population of approximately 17,600 and is located in Weld County. The Town is empowered to levy a property tax on real properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the governing board and voter approval. On April 2, 1996, the taxpayers approved a ballot question to remove the Taxpayer Bill of Rights (“TABOR”) limits that were imposed on the Town in 1992.

The Town has operated under the Trustees-Town Manager form of government since its first meeting as a statutory Town. Policy-making and legislative authority are vested in the Board, consisting of the Mayor and six Trustees. The Town’s board is responsible, among other things, for passing ordinances, adopting the budget, appointing committees, and hiring the Town’s manager, attorney, treasurer, and clerk. The Town’s manager is responsible for: carrying out the goals, policies, and ordinances of the Board; for overseeing the day-to-day operations of the Town; and for appointing the heads of the various departments. The Board is elected on a nonpartisan basis. The Mayor is elected for a two-year term and the Trustees are elected for four-year terms. The Mayor and Trustees are elected at-large.

The Town provides a full range of services including: police protection; construction and maintenance of streets, parks, trails, and open space; and stormwater and water utilities. Other utility services such as sewer, electricity, natural gas, and trash removal are provided by organizations not affiliated with the Town, and therefore, are not reported in the Town’s financial statements.

The annual budget serves as the foundation for the Town’s financial planning and control. All departments of the Town are required to submit requests for appropriation to the Town’s Finance Department on or about the last day of August each year. The Finance Department and Town Manager use these requests as the starting point for developing a proposed budget. The finance department then presents the proposed budget to the Board by October 15. The Board is required to hold public hearings on the proposed budget and to adopt a final budget no later than December 15. The Town’s fiscal year is on a calendar year basis. The Town’s budget is prepared by fund (e.g. general) and department (e.g. police). However, the annual budget is appropriated and approved at the fund level by the Board and certified to the State of Colorado as such. Transfers of appropriations between funds require the approval of the Board.

Budget-to-actual comparisons are provided in this report for each individual fund for which an appropriated annual budget has been adopted. The General Fund and Firestone Urban Renewal Authority – Bighorn comparisons are presented on page 65 and 66, respectively, as part of the required supplementary information. For all other governmental and proprietary funds, the comparisons are presented in the other supplementary information subsection of this report, which begins on page 81.

FACTORS AFFECTING FINANCIAL CONDITION

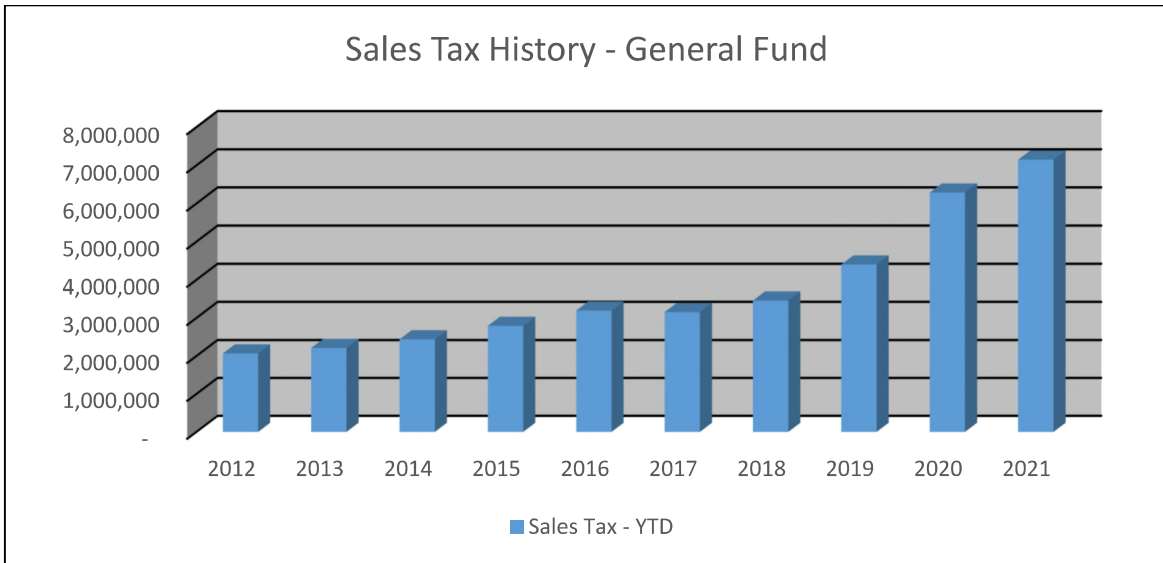
LOCAL ECONOMY

The Town is a unique community of citizens, businesses, and governments that are united in creating a stable, safe, prosperous, and healthy environment in which to live, work, worship, learn, and exercise the rights and freedoms provided by the United States Constitution. The Town has been recognized in several national and Colorado listings for its cost of home ownership, amenities, and for being a safe environment. During 2021, the Town was named the tenth safest community in Colorado by Safewise. The Town continues to grow and develop attracting additional retail and lodging facilities along with more residents. In 2021 multiple businesses opened including, Jersey Mike’s, Christian Brothers Automotive, Dollar General, Circle K and Oak Meadows Dental Office. The area has a homeownership rate of 88.8 percent per worldpopulationreview.com. Firestone has a median household income of \$106,186 annually and the median home value in Firestone is \$464,465 per City-Data.com. In addition, according to City-Data.com, the Town’s cost of living index is 104.9, which is near the United States average of 100. In order to maximize commercial and residential development opportunities, the Town continued with a strategic and targeted economic development program in 2021. The objective of the plan is to attract new businesses and encourage expansion of existing businesses.

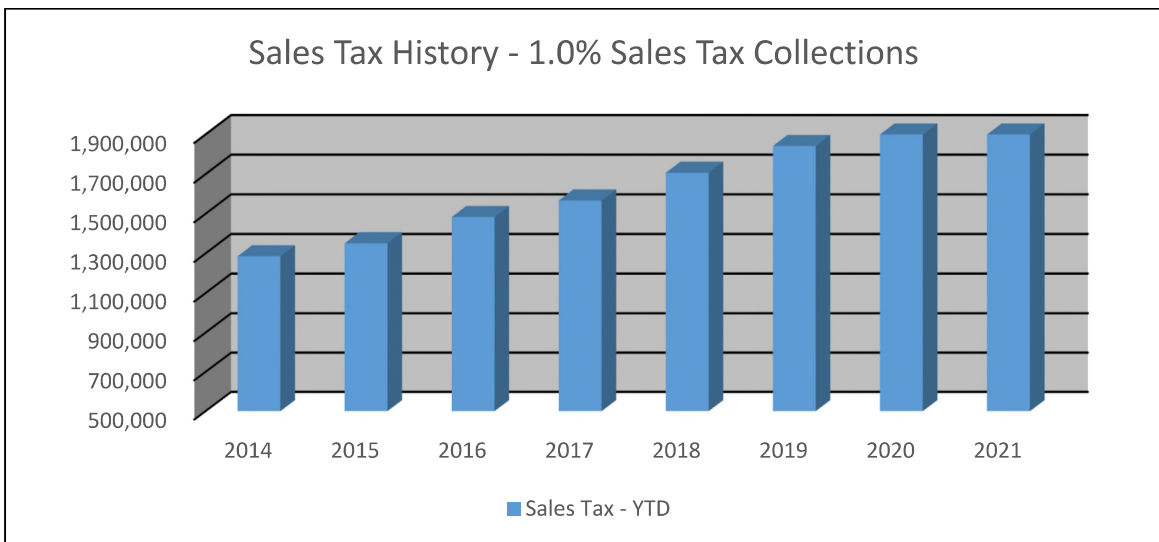
The Town is currently working to increase the number and variety of businesses throughout the community, including initiatives to enhance the economic success of historic Old Town Firestone. The tables below detail the Town’s taxable assessed value (AV) for the past ten years.

AV Year/Year Levied	Assessed Valuation
2011/2012	\$ 132,306,920
2012/2013	\$ 142,807,170
2013/2014	\$ 135,635,763
2014/2015	\$ 147,288,760
2015/2016	\$ 170,842,090
2016/2017	\$ 208,282,680
2017/2018	\$ 215,444,970
2018/2019	\$ 231,241,860
2019/2020	\$ 266,484,840
2020/2021	\$ 263,819,990
2021/2022	\$ 294,286,560

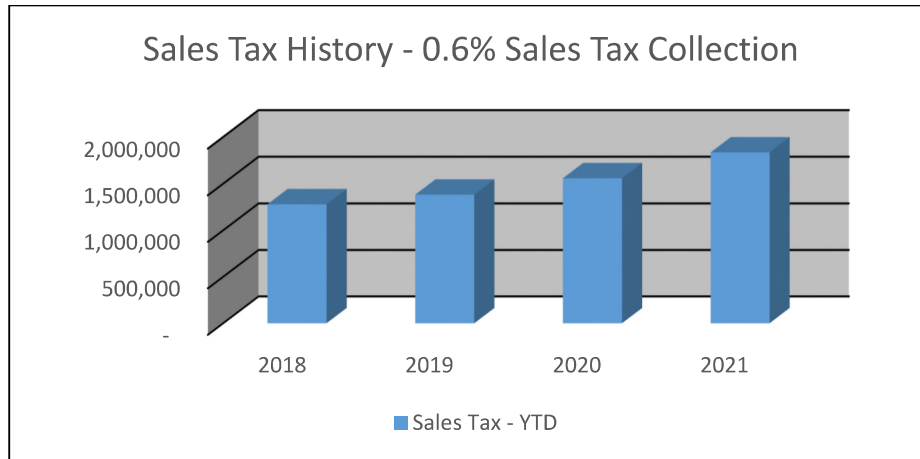
Because of the growth of the Town’s residential and retail base, sales tax revenues have shown significant growth throughout the past ten years. The retail trade sector has steadily employed more of the Town’s population in the past several years and significantly influences the Town’s economy. The chart on the next page reflects the increase in Sales tax revenues throughout the last ten years (as of December of each year).



In addition to the sales tax revenues shown in the previous chart, in November 2013, the Town’s citizens approved a 1 percent additional sales tax to be utilized for street and park capital projects, operation and maintenance and associated debt service issuances/payments. Collection of this additional tax began in 2014 and will provide for long term sustainability of the Town’s streets and park assets. Below is a chart reflecting the increase in 1% sales tax revenues for the past eight years (as of December of each year).



In 2018, the Town’s citizens approved a 0.6% Sales Tax increase for the purpose of constructing a Public Safety Facility that will house the police, the court, and will provide meeting space for the Town. In 2020, the Town’s citizens approved an expansion of the purposes for which the 0.6% Sales Tax can be used to include maintenance and construction of town facilities. The 0.6% Sales Tax will expire after 25 years beginning January 1st, 2018. The chart on the next page reflects the increase in .6% sales tax revenues for the past four years (as of December of each year).



LONG-TERM PLANNING

The Board and management are currently working on a major project that will impact the Town’s financial position. In 2005, the Board indicated its desire to pursue participation in Northern Integrated Supply Project (“NISP”) for future water needs. NISP is a joint project to develop water storage and supply facilities for a large group of water providers in the region. The Town maintains a long-range financial model in order to plan and provide future funding for this vital project.

The Town continuously monitors the status of its budget and will make adjustments, as warranted.

AWARDS AND ACKNOWLEDGEMENTS

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

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

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

Respectfully submitted,

Jessica Clanton

Jessica Clanton, CPA
Finance Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

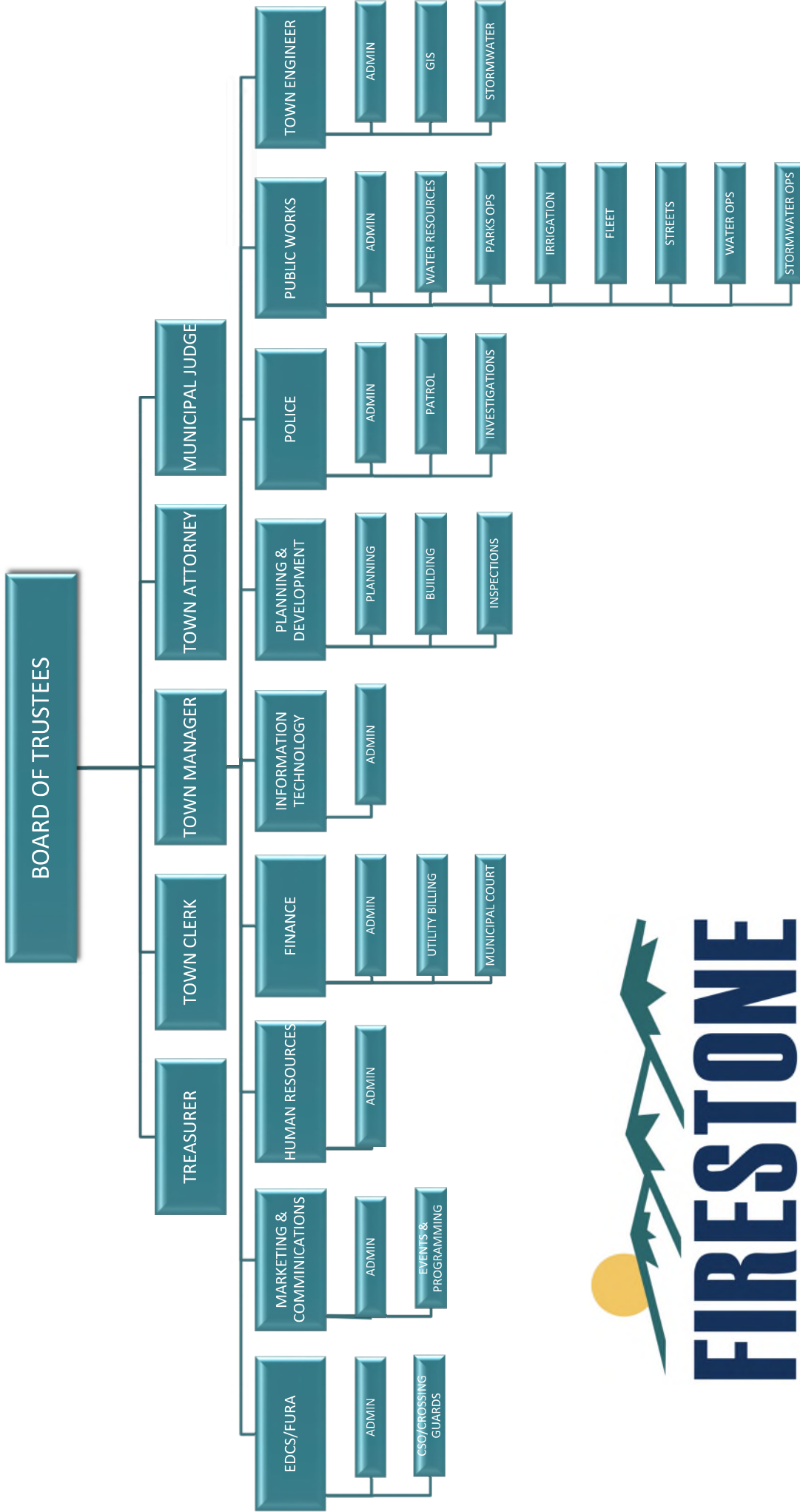
**Town of Firestone
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO





LIST OF PRINCIPAL OFFICIALS – AS OF DECEMBER 31, 2021

Elected Officials

Mayor Bobbi Sindelar
Mayor Pro-tem Frank A. Jimenez
Trustee Don Conyac
Trustee Sean Doherty
Trustee Samantha Meiring
Trustee Doug Sharp
Trustee David Whelan

Appointed Officials

Town Manager AJ Krieger
Town Clerk Jessica Koenig
Town Treasurer Jessica Clanton, CPA
Town Attorney William Hayashi, Williamson & Hayashi, LLC
Municipal Judge Paul Basso

Department Directors

Assistant to Town Manager Raelynn Ferrera
Interim Chief of Police Bryce Borders
Economic Development and FURA Director Paula Mehle
Finance Director Jessica Clanton
Human Resource Director Janet Sloat
Marketing and Communications Director Katie Hansen
Planning Director Todd Bjerkaas
Public Works Director Julie Pasillas
Town Engineer Matt Wiederspahn



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Board of Trustees
Town of Firestone, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund and the aggregate remaining fund information of the Town of Firestone, 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, 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, and each major fund, and the aggregate remaining fund information of the Town of Firestone, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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.

Responsibilities of Management for the Financial Statements

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

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

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 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, 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 on pages 4 through 14 and the budgetary comparison information and pension-related schedules on pages 65 through 80 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The introductory section, other supplementary information, statistical section, and Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Fiscal Focus Partners, LLC

Greenwood Village, Colorado
June 3, 2022

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

As management of the Town, we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended December 31, 2021. We encourage readers to consider the information presented here in conjunction with additional information furnished in our letter of transmittal, which can be found in the introductory section of this report.

Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources as of December 31, 2021 by \$161 million. Of this amount, \$17.9 million is unrestricted and may be used to meet the government's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$7.2 million, or 4.6%. Governmental net position increased by \$6.1 million, or 10.5%, and business-type net position increased by \$1.1 million, or 1.1%.
- As of December 31, 2021, the Town's governmental funds reported combined ending fund balances of \$26.1 million, a decrease of \$2.8 million from 2020. Approximately 17% of this total amount or \$4.4 million is unassigned and available for discretionary spending for the benefit of Town citizens.
- Outlays for capital assets included construction of the new Town Hall facility; Public Works facility; the St. Vrain Water Treatment Plant; water and storm water infrastructure; improvements to various parks; and acquisition of public works equipment. See the Capital Assets section of this management's discussion and analysis for more information.

Overview of the Financial Statements

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

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

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

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

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

Both of the government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town include general government, public safety, public works and parks. Business-type activities include the water system, storm drainage system and the water authority.

The government-wide financial statements can be found on pages 15 through 17 of this report.

Fund Financial Statements: A fund is a grouping of related accounts that is used to maintain control over resources, which have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and proprietary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund 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 7 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Firestone Urban Renewal Authority – Bighorn, the Capital Projects Fund, and the Debt Service Fund, which are all considered to be major funds. Data from the other 3 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The Town adopts an annual appropriated budget for each individual governmental fund. A budgetary comparison statement has been provided for all governmental funds to demonstrate compliance with these budgets.

The basic governmental fund financial statements can be found on pages 18 through 21 of this report.

Proprietary Funds: The Town maintains three individual proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The Town uses enterprise funds to account for its water, stormwater operations, and the water authority.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water operation and the stormwater operation, which are both considered to be major funds. Individual fund data for the non-major enterprise fund is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 22 through 24 of this report.

Notes to Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 25 of this report.

Required Supplementary Information: Required supplementary information consists of budgetary comparison statements for the General Fund and Firestone Urban Renewal Authority – Bighorn, as well as, supporting pension and the other post-employment benefit schedules found on pages 65 through 80.

Other Information: The budgetary comparison statements for the Capital Projects Fund and the Debt Service Fund are presented immediately following the required supplementary information and begin on page 81 of this report. In addition, the combining statements and budget schedules for the nonmajor governmental funds, the budget schedules for proprietary funds, and the combining statements for the nonmajor enterprise fund are also presented in this section.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the Town, assets and deferred outflows exceeded liabilities and deferred inflows by \$161 million at December 31, 2021. The Town reported positive balances in net position for both governmental and business-type activities.

Total Assets increased by \$10 million or 4.2%. This is largely related to the construction and opening of the new Town Hall, as well as, the construction of the St. Vrain Water Treatment Plant, which will open in 2022.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The following table reflects the Town's condensed Statement of Net Position (in thousands).

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
ASSETS						
Current and Other Assets	\$ 31,889	\$ 33,013	\$ 36,293	\$ 64,122	\$ 68,182	\$ 97,135
Capital Assets	65,711	58,351	123,875	91,884	189,586	150,235
Total Assets	97,600	91,364	160,168	156,006	257,768	247,370
TOTAL DEFERRED OUTFLOWS OF RESOURCES						
	3,171	2,847	402	266	3,573	3,113
LIABILITIES						
Long-Term Liabilities						
Outstanding	28,521	31,281	55,802	56,247	84,323	87,528
Other Liabilities	3,586	2,455	5,966	2,975	9,552	5,430
Total Liabilities	32,107	33,736	61,768	59,222	93,875	92,958
TOTAL DEFERRED INFLOWS OF RESOURCES						
	5,418	3,331	833	227	6,251	3,558
NET POSITION						
Net Investment in						
Capital Assets	44,753	40,995	89,787	91,857	134,540	132,852
Restricted	8,763	13,582	-	-	8,763	13,582
Unrestricted	9,730	2,567	8,182	4,966	17,912	7,533
Total Net Position	\$ 63,246	\$ 57,144	\$ 97,969	\$ 96,823	\$ 161,215	\$ 153,967

Total Liabilities increased by \$0.9 million or 1%. This is due to increased retainage related to the large construction projects. Retainage payable increased by \$1.3 million in 2021. This increase in liabilities was offset by the principal payments on the debt reducing the long-term liabilities outstanding.

By far the largest portion of the Town's net position (83.5%) reflects its investment in capital assets (e.g., land, buildings, streets, water, storm drainage systems, equipment, and vehicles), less any related debt used to acquire those assets that is still outstanding. The Town uses these 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 cannot be used to liquidate these liabilities.

Restricted net position accounts for 5.4% of its total net position, representing resources that are subject to external restrictions on how they may be used. The remaining component of net position is unrestricted, representing 11.1% of the Town's total net position and may be used to meet ongoing obligations to the Town's residents and creditors.

The Town's Statement of Activities reflects an increase in revenues for 2021 of \$11 million or 35.7% from the prior year. This is partially due to the Town receiving \$3.9 million of Tax Increment Financing (TIF) through property taxes for the Firestone Urban Renewal Authority - Bighorn. This is the first year for this district to receive revenue. In 2021, the Town also received a large operating grant of \$2.2 million that will be used to offset future operating costs, contributed capital of \$2.2 million and a grant for construction of the new Town Hall of \$0.7 million.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
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The Town's expenses for 2021 increased by \$5 million or 17% over 2020. These changes occurred in both the Governmental Activities and the Business-Type Activities. The increase in Governmental Activities is partially due to increased costs of \$3.2 million related to intergovernmental agreements for the urban renewal areas. The Business-Type Activities increase is partially due to an increase in interest payments of \$0.7 million on the Water Revenue Bonds. The following table is a comparison of 2021 to 2020 revenue and expenses (in thousands).

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
PROGRAM REVENUES						
Charges for Services	\$ 4,456	\$ 4,022	\$ 8,918	\$ 7,914	\$ 13,374	\$ 11,936
Operating Grants and Contributions	2,348	407	13	25	2,361	432
Capital Grants and Contributions	2,350	631	655	607	3,005	1,238
GENERAL REVENUE						
Property Taxes	8,730	4,163	-	-	8,730	4,163
Sales and Use Taxes	13,116	11,107	-	-	13,116	11,107
Other Taxes	1,222	1,195	-	-	1,222	1,195
Other Revenue	272	756	13	184	285	940
Total Revenues	<u>32,494</u>	<u>22,281</u>	<u>9,599</u>	<u>8,730</u>	<u>42,093</u>	<u>31,011</u>
EXPENSES						
General Government	13,579	9,933	-	-	13,579	9,933
Public Safety	5,309	5,271	-	-	5,309	5,271
Public Works	4,886	4,907	-	-	4,886	4,907
Parks	1,774	1,910	-	-	1,774	1,910
Interest and Fiscal Charges	836	785	-	-	836	785
Water/Stormwater	-	-	8,462	7,027	8,462	7,027
Total Expenses	<u>26,384</u>	<u>22,806</u>	<u>8,462</u>	<u>7,027</u>	<u>34,846</u>	<u>29,833</u>
INCREASE (DECREASE) IN NET POSITION						
	<u>6,110</u>	<u>(525)</u>	<u>1,137</u>	<u>1,703</u>	<u>7,247</u>	<u>1,178</u>
Net Position - January 1	<u>57,136</u>	<u>59,636</u>	<u>96,832</u>	<u>93,153</u>	<u>153,968</u>	<u>152,789</u>
Restatement (See Note 1)	<u>-</u>	<u>(1,967)</u>	<u>-</u>	<u>1,967</u>	<u>-</u>	<u>-</u>
NET POSITION - DECEMBER 31	<u>\$ 63,246</u>	<u>\$ 57,144</u>	<u>\$ 97,969</u>	<u>\$ 96,823</u>	<u>\$ 161,215</u>	<u>\$ 153,967</u>

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

General Government Functions

The following schedule presents a summary of the governmental funds revenues (in thousands) from various sources for the fiscal year ended December 31, 2021 and the changes from the prior year.

REVENUE SOURCE	2021		2020		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Taxes	\$ 22,060	71.2 %	\$ 15,431	71.3 %	\$ 6,629	43.0%
Intergovernmental	1,189	3.8	1,224	5.7	(35)	(2.9)
Licenses, Fees and Charges	4,611	14.9	4,139	19.1	472	11.4
Fines	105	0.3	108	0.5	(3)	(2.8)
Grants	2,851	9.2	191	0.9	2,660	1,392.7
Miscellaneous	151	0.5	538	2.5	(387)	(71.9)
Total Revenue (\$000s)	<u>\$ 30,967</u>	100.0%	<u>\$ 21,631</u>	100.0%	<u>\$ 9,336</u>	43.2%

Overall, 2021 revenue increased by 43.2% or \$9.3 million over 2020 revenue.

The largest source of revenue for 2021 was derived from taxes, 71.2% of total revenues. Overall tax revenue increased by 43% or \$6.6 million. Property tax revenue in 2021 increased by \$4.6 million or 110% over 2020 due primarily to the TIF revenue received in Firestone Urban Renewal Authority - Bighorn. For more information on this refer to page 11. The Town has maintained its mill levy at 6.805 mills for over ten years. Sales and Use taxes increased by \$2 million or 18% due to sales tax continuing to be collected for online sales and economic recovery in 2021.

Intergovernmental revenue remained consistent with the prior year, while grant revenue increased due to a one-time ARPA grant received in 2021 for \$2.2 million.

Licenses, Fees and Charges show an 11.4% increase from 2020 due to economic recovery causing an increase in building permits. The miscellaneous revenue line decreased as a result of improved tracking which provides better transparency on income.

The following schedule presents a summary of the governmental funds expenditures (in thousands) for the fiscal year ended December 31, 2021 and the changes from the prior year.

EXPENDITURES	2021		2020		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
General Government	\$ 13,099	38.8 %	\$ 9,306	42.0 %	\$ 3,793	40.8 %
Public Safety	4,463	13.2	4,331	19.5	132	3.0
Public Works	2,389	7.1	2,039	9.2	350	17.2
Parks	1,392	4.1	1,517	6.8	(125)	(8.2)
Capital Outlay	10,112	29.9	2,118	9.6	7,994	377.4
Debt Service	2,321	6.9	2,853	12.9	(532)	(18.6)
Total Expenditures (\$000s)	<u>\$ 33,776</u>	100.0%	<u>\$ 22,164</u>	100.0%	<u>\$ 11,612</u>	52.4%

Overall expenditures for 2021 increased by \$11.6 million or 52.4% over the prior year.

General government expenditures increased \$3.8 million in 2021 due to costs related to the Firestone Urban Renewal Authority – Bighorn of \$2.2 million compared to no costs in 2020. Also,

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the nonmajor urban renewal areas saw increased costs of \$1 million during 2021. These are all related to the intergovernmental agreements' stipulations associated with each plan area.

Public Safety and Parks remained consistent with the prior year. Public Works increased by \$0.4 million due to streets repairs, maintenance costs and vehicle leases. Capital outlay increased by \$8 million or 377.4% partly due to the completion of the Town Hall facility for \$4.5 million and the construction of the Public Works Facility of \$2.9 million. The Town also spent \$1.5 million at Neighbor's Point subdivision to build a park. Debt service decreased by \$0.5 million or 18.6% from prior year due to the payments on the 2018, 2019 and 2020 Certificates of Participation.

Financial Analysis of the Town's Funds

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

Governmental Funds: The focus of the Town's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a governments net resources available for spending at the end of the fiscal year.

As of December 31, 2021, the Town's governmental funds reported combined ending fund balances of \$26.1 million, a decrease of \$2.8 million compared to prior year. Approximately 17% of the total fund balance constitutes unassigned fund balance, which is available for spending to meet the needs of Town Citizens. The remainder of fund balance is separated into four categories.

- Nonspendable fund balance includes amounts that cannot be spent because they are either not in a spendable form or they are legally or contractually required to be maintained intact. For 2021, this is \$0.1 million.
- Restricted fund balance has constraints placed on the use of these resources either externally imposed by creditors, grantors, contributors, or have been imposed by law through constitutional provisions or enabling legislation. For 2021, this includes:
 - Emergency reserves required by TABOR of \$0.5 million;
 - Conservation Trust funds as stipulated by State statute of \$0.1 million;
 - Debt Service reserves in compliance with 2018 Certificates of Participation (COP) for \$1 million
 - Facility Construction funds as stipulated by the outstanding COPs of \$2.1 million;
 - Lodging taxes have been restricted for the purchase, development and maintenance of open space within the Town for a fund balance of \$0.7 million;
 - And, parks and streets as stipulated by the sales tax regulations imposed by voter approval for \$4.4 million.

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- Committed Fund balances are reported pursuant to resolutions passed by the Board of Trustees.
 - Fund balances related to the Finance Urban Renewal Authorities – Southern, Northern, Central, and Bighorn, are committed for projects within these four blighted areas in the amount of \$2.7 million;
 - Impact fees collected for Roadway, Drainage, Local Parks, Regional Parks, and Municipal Facilities, have been committed for related capital projects of \$6.3 million.
- Assigned Fund balances are constrained by the Town's intent to use them for a specific purpose.
 - Working reserve is determined by calculating a minimum of 25% of the General Funds appropriations in the current year.

The General Fund is the chief operating fund of the Town. At December 31, 2021, unassigned fund balance of the General Fund was \$4.4 million while total fund balance increased to \$10.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and a total fund balance to total fund expenditures (including transfers). Unassigned fund balance represents 27.5% of total General Fund expenditures (including transfers out), while total fund balance represents 64% of that same amount.

The Town has established a working reserve of just over 25%, or \$3.8 million, of current year General Fund appropriations.

The fund balance of the Town's General Fund increased by \$1 million during 2021.

The Firestone Urban Renewal Authority (FURA) – Bighorn was established in 2019 with the first revenue occurring in 2021. This FURA was established to develop and implement a plan to renew and revitalize a specific area of Firestone.

The Capital Projects Fund is for better transparency of capital improvement projects. The fund balance saw a decrease of \$5.4 million during 2021. This was mainly due to the construction of Town Hall (\$4.5 million) and Public Works (\$2.9 million) facilities and the construction of a park in Neighbor's Point subdivision (\$1.5 million) offset by an unexpected American Rescue Plan Act (ARPA) grant of \$2.7 million.

The Debt Service Fund is used for payments of all governmental debt service. The fund balance remained consistent with prior year.

Proprietary Funds. The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. All three of the Town's proprietary funds are enterprise funds engaged in business-type activities.

The total net position of the enterprise funds as of December 31, 2021, was \$98 million, of which \$8.1 million is unrestricted. Total net position increased \$1.1 million over the prior year, with unrestricted net position increasing \$3.2 million.

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The following schedule provides the breakdown of revenues (in thousands) by source for 2021:

REVENUE SOURCE	2021		2020		Increase (Decrease)	
	Amount	Percent	Amount	Percent	Amount	Percent
Charges for Services	\$ 8,535	88.9 %	\$ 7,529	79.3 %	\$ 1,006	13.4 %
Licenses and fees	383	4.0	385	6.6	(2)	(0.5)
Interest Earnings	13	0.1	184	2.9	(171)	(92.9)
Capital Contributions	655	6.8	607	10.4	48	7.9
Miscellaneous	13	0.1	25	0.8	(12)	(48.0)
Total Revenue (\$000s)	<u>\$ 9,599</u>	100.0%	<u>\$ 8,730</u>	100.0%	<u>\$ 869</u>	10.0%

Proprietary Funds rely on charges for services to support related expenses. Charges for services of \$8.5 million for Proprietary Funds represented 88.9% of 2021 revenues, and increased \$1 million, or 13.4%, compared to the prior year. The other primary source of revenue, representing 6.8% of revenues comes primarily from capital contributions in the form of donated capital assets. This source of revenue was consistent when compared to 2020.

Proprietary Fund expenses are \$8.5 million in 2021, an increase of \$1.4 million, or 20% compared to 2020. This is a result of increased allocation of administration costs related to the enterprise funds.

General Fund Budgetary Highlights

The Town's original budget for the General Fund anticipated a surplus of \$0.4 million, reflecting revenues of \$13.6 million, expenditures of \$15.4 million and other financing sources, net of other financing uses of \$2.2 million. The Town's amended budget for the General Fund reflected an increase in revenues to \$13.9 million. This increase in revenue is a result of economic recovery related to sales tax.

Actual results in total fund balance for the General Fund was an increase of \$1 million. Revenues in total reflect an increase compared to the budget. Sales tax was \$1.7 million over the original budget.

Capital Asset and Debt Administration

Capital Assets. The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2021 amounts to \$189.6 million (net of accumulated depreciation). This investment in capital assets includes land, land improvements, water shares, construction in progress, buildings and improvements, infrastructure, and equipment and vehicles. The total net increase in the Town's Investment in capital assets for the current fiscal year was \$39.4 million.

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MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

The Town's capital assets consists of the following (in thousands) at December 31, 2021:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
CAPITAL ASSETS						
Land	\$ 6,920	\$ 6,920	\$ 5,606	\$ 5,606	\$ 12,526	\$ 12,526
Water Shares	-	-	52,471	52,330	52,471	52,330
Construction in Progress	5,358	1,830	42,132	10,281	47,490	12,111
Land Improvements	1,724	1,776	-	-	1,724	1,776
Buildings and Improvements	21,330	16,035	-	-	21,330	16,035
Infrastructure	27,338	28,337	23,248	23,123	50,586	51,460
Equipment and Vehicles	3,041	3,453	418	544	3,459	3,997
Total Capital Assets (\$000s)	\$ 65,711	\$ 58,351	\$ 123,875	\$ 91,884	\$ 189,586	\$ 150,235

Additional information on the Town's capital assets can be found in Note 6 on pages 39 and 40 of the financial statements.

Long-Term Debt: At the end of 2021, the Town had \$2.5 million in sales tax revenue bonds reported in the governmental funds. In addition, the Town governmental funds had Certificates of Participation outstanding totaling \$22.4 million. For 2021, the Town experienced a \$2.6 million decrease overall in outstanding debt from 2020.

The Town's debt consists of the following (in thousands) at December 31, 2021:

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenue Bonds	\$ 2,518	\$ 2,691	\$ 54,871	\$ 55,393	\$ 57,389	\$ 58,084
Certificate of Participation	22,391	23,734	-	-	22,391	23,734
Leases	-	577	-	-	-	577
Compensated Absences	557	558	66	39	623	597
Total Long-Term Debt (\$000s)	\$ 25,466	\$ 27,560	\$ 54,937	\$ 55,432	\$ 80,403	\$ 82,992

State Statutes limit the amount of general obligation debt the Town may issue up to 3% of estimated actual valuation, except for debt incurred to supply water. The Town's outstanding debt is below this limit. Additional information on the Town's long-term debt can be found in Note 7 in the financial statements and the statistical section of this report.

Economic Factors and Next Year's Budget and Rates

There are several factors that drive the Town's budget and financial performance. The factors include but are not limited to the following: area employment rates, sales and use tax revenues, building permit valuation and issuance, population growth, and capital asset construction requirements.

- Currently, the Town's residential building permit valuation and issuance drives a reasonable part of the budgeted revenue for corresponding capital expenditures. The Town receives capital revenues from impact fees and water tap fees during the fiscal year, which will be utilized in future years to acquire or construct capital assets to serve future

**TOWN OF FIRESTONE, COLORADO
MANAGEMENT'S DISCUSSION AND ANALYSIS
DECEMBER 31, 2021**

residents. A significant decrease in housing permits would have a significant adverse effect on impact fee revenues and corresponding capital projects.

- The Town has set aside significant amounts of reserves in the General Fund to enable it to continue to provide required services should an economic downturn occur.
- The Town has several key initiatives identified as priorities for the years 2022-2026. The overriding objective for the Town is to create vitalization throughout the Town. This initiative is meant to lay the foundation for future planning, development, and redevelopment. Staff changes have been made that allows the Town to focus on marketing the Town to potential businesses, and evaluating the sustainability of providing services given the current land-use and fiscal policies. While an emphasis has been placed on planning for the future, the Town has also committed to delivering services at current levels and to find ways to continuously improve the delivery of those services.
- In 2018, a 5-year water and stormwater rate increase plan was implemented to raise funds to complete capital projects over the next decade.

All of these factors were considered in preparing the Town's budget for 2022.

Requests for Information

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Town of Firestone Finance Director, 9950 Park Ave, Firestone, Colorado 80504.

TOWN OF FIRESTONE
STATEMENT OF NET POSITION
December 31, 2021

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
ASSETS			
Cash and Investments	\$ 23,471,030	\$ 14,935,473	\$ 38,406,503
Receivables	3,664,635	571,366	4,236,001
Prepaid Items	131,199	3,825	135,024
Cash and Investments, Restricted	3,951,367	20,782,587	24,733,954
Capital Assets, Non-Depreciable	12,278,537	100,209,020	112,487,557
Capital Assets, Net	53,432,296	23,666,049	77,098,345
Net Pension Asset - FPPA	671,289	-	671,289
Total Assets	<u>97,600,353</u>	<u>160,168,320</u>	<u>257,768,673</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pensions - FPPA	1,096,280	-	1,096,280
Pensions - PERA	1,858,375	357,668	2,216,043
OPEB	216,111	43,881	259,992
Total Deferred Outflows of Resources	<u>3,170,766</u>	<u>401,549</u>	<u>3,572,315</u>
LIABILITIES			
Accounts Payable	1,748,301	4,474,939	6,223,240
Retainage Payable	202,183	1,292,615	1,494,798
Accrued Liabilities	387,758	35,919	423,677
Accrued Interest Payable	108,753	161,467	270,220
Deposits Payable	1,104,324	-	1,104,324
Unearned Revenues	34,271	-	34,271
Noncurrent Liabilities:			
Customer Deposits	-	245,267	245,267
Long-Term Liabilities			
Due Within One Year	1,720,750	542,244	2,262,994
Due After One Year	23,745,534	54,394,470	78,140,004
Net Pension Liability - PERA	2,685,747	545,339	3,231,086
Net OPEB Liability	368,813	74,887	443,700
Total Liabilities	<u>32,106,434</u>	<u>61,767,147</u>	<u>93,873,581</u>
DEFERRED INFLOWS OF RESOURCES			
Property Tax Revenues	1,599,923	-	1,599,923
Intergovernmental Revenues	-	218,487	218,487
Pensions - FPPA	790,147	-	790,147
Pensions - PERA	2,904,487	589,755	3,494,242
OPEB	123,642	25,106	148,748
Total Deferred Inflows of Resources	<u>5,418,199</u>	<u>833,348</u>	<u>6,251,547</u>
NET POSITION			
Net Investment in Capital Assets	44,752,972	89,787,113	134,540,085
Restricted for:			
Emergencies	456,605	-	456,605
Conservation Trust	100,702	-	100,702
Debt Service	1,002,335	-	1,002,335
Facility Construction	2,123,837	-	2,123,837
Open Space	660,014	-	660,014
Parks and Streets	4,420,184	-	4,420,184
Unrestricted	9,729,837	8,182,261	17,912,098
Total Net Position	<u>\$ 63,246,486</u>	<u>\$ 97,969,374</u>	<u>\$ 161,215,860</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE
STATEMENT OF ACTIVITIES
Year Ended December 31, 2021

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
GOVERNMENTAL ACTIVITIES				
General Government	\$ 13,578,564	\$ 2,937,899	\$ 2,234,522	\$ 690,396
Public Safety	5,309,476	106,552	19,376	-
Public Works	4,886,034	762,109	-	1,567,367
Parks	1,773,954	649,767	93,788	92,000
Interest on Long-Term Debt	835,897	-	-	-
Total Governmental Activities	<u>26,383,925</u>	<u>4,456,327</u>	<u>2,347,686</u>	<u>2,349,763</u>
BUSINESS-TYPE ACTIVITIES				
Water	7,342,985	7,805,808	12,951	-
Stormwater	878,329	824,565	-	655,365
St Vrain Water Authority	240,220	287,361	-	-
Total Business-Type Activities	<u>8,461,534</u>	<u>8,917,734</u>	<u>12,951</u>	<u>655,365</u>
Total	<u>\$ 34,845,459</u>	<u>\$ 13,374,061</u>	<u>\$ 2,360,637</u>	<u>\$ 3,005,128</u>

GENERAL REVENUES:

- Property Taxes
- Sales and Use Taxes
- Highway Users Taxes
- Specific Ownership Taxes
- Other Shared Taxes
- Investment Earnings/(Loss)
- Miscellaneous
- Gain on Sale of Assets
- Total General Revenues

CHANGE IN NET POSITION

NET POSITION - BEGINNING OF YEAR

NET POSITION - END OF YEAR

The accompanying notes are an integral part of these financial statements.

Net (Expense) Revenues and
Changes in Net Position

Governmental Activities	Business- Type Activities	Total
\$ (7,715,747)	\$ -	\$ (7,715,747)
(5,183,548)	-	(5,183,548)
(2,556,558)	-	(2,556,558)
(938,399)	-	(938,399)
(835,897)	-	(835,897)
<u>(17,230,149)</u>	<u>-</u>	<u>(17,230,149)</u>
-	475,774	475,774
-	601,601	601,601
-	47,141	47,141
<u>-</u>	<u>1,124,516</u>	<u>1,124,516</u>
<u>\$ (17,230,149)</u>	<u>\$ 1,124,516</u>	<u>\$ (16,105,633)</u>
8,729,879	-	8,729,879
13,116,296	-	13,116,296
553,896	-	553,896
97,538	-	97,538
571,018	-	571,018
(25,620)	12,957	(12,663)
240,343	-	240,343
57,756	-	57,756
<u>23,341,106</u>	<u>12,957</u>	<u>23,354,063</u>
6,110,957	1,137,473	7,248,430
<u>57,135,529</u>	<u>96,831,901</u>	<u>153,967,430</u>
<u>\$ 63,246,486</u>	<u>\$ 97,969,374</u>	<u>\$ 161,215,860</u>

**TOWN OF FIRESTONE
BALANCE SHEET
GOVERNMENTAL FUNDS
December 31, 2021**

	General Fund	Firestone Urban Renewal Authority - Bighorn	Capital Projects Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
ASSETS						
Cash and Investments	\$ 11,152,004	\$ 1,744,750	\$ 9,203,678	\$ 178	\$ 1,370,420	\$ 23,471,030
Receivables	2,902,109	-	762,510	-	16	3,664,635
Prepaid Items	125,672	500	-	-	5,027	131,199
Cash and Investments, Restricted	-	-	2,949,210	1,002,157	-	3,951,367
Total Assets	<u>14,179,785</u>	<u>1,745,250</u>	<u>12,915,398</u>	<u>1,002,335</u>	<u>1,375,463</u>	<u>31,218,231</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES						
Accounts Payable	897,090	-	829,926	-	21,285	1,748,301
Retainage Payable	-	-	202,183	-	-	202,183
Accrued Liabilities	337,714	-	-	-	50,044	387,758
Deposits Payable	1,104,324	-	-	-	-	1,104,324
Unearned Revenues	34,271	-	-	-	-	34,271
Total Liabilities	<u>2,373,399</u>	<u>-</u>	<u>1,032,109</u>	<u>-</u>	<u>71,329</u>	<u>3,476,837</u>
DEFERRED INFLOWS OF RESOURCES						
Property Tax Revenues	1,599,923	-	-	-	-	1,599,923
Intergovernmental Revenue	12,167	-	-	-	-	12,167
Total Deferred Inflows of Resources	<u>1,612,090</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,612,090</u>
FUND BALANCES						
Nonspendable	125,672	500	-	-	5,027	131,199
Restricted for:						
Emergencies	456,605	-	-	-	-	456,605
Conservation Trust	-	-	-	-	100,702	100,702
Debt Service	-	-	-	1,002,335	-	1,002,335
Facility Construction	-	-	2,123,837	-	-	2,123,837
Open Space	660,014	-	-	-	-	660,014
Parks and Streets	746,321	-	3,423,863	-	250,000	4,420,184
Committed for:						
Impact Fees	-	-	6,335,589	-	-	6,335,589
FURA Improvements	-	1,744,750	-	-	948,405	2,693,155
St Vrain Water Authority	-	-	-	-	-	-
Assigned for:						
Working Reserve	3,821,161	-	-	-	-	3,821,161
Unassigned	4,384,523	-	-	-	-	4,384,523
Total Fund Balances	<u>10,194,296</u>	<u>1,745,250</u>	<u>11,883,289</u>	<u>1,002,335</u>	<u>1,304,134</u>	<u>26,129,304</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
	<u>\$ 14,179,785</u>	<u>\$ 1,745,250</u>	<u>\$ 12,915,398</u>	<u>\$ 1,002,335</u>	<u>\$ 1,375,463</u>	<u>\$ 31,218,231</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF FIRESTONE
RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
December 31, 2021**

Total Fund Balance - Governmental Funds	\$ 26,129,304
Amounts reported for governmental activities on the Statement of Net Position are different because:	
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in the governmental funds.	65,710,833
Long-term liabilities, including interest payable, leases, compensated absences, and certificates of participation, are not due and payable from current financial resources, and therefore, are not reported as liabilities in the governmental funds.	(25,575,037)
Revenues not received within 60 days of year-end are classified as deferred inflows of resources in the governmental funds.	12,167
Net pension assets are not available to pay for current-period expenditures and, therefore, are unavailable in the governmental funds.	671,289
Net pension liability is not payable from current financial resources and, therefore, are not reported in the governmental funds.	(2,685,747)
Pension related deferred outflows of resources used in governmental activities are not financial resources and, therefore are not reported in the governmental funds.	2,954,655
Pension related deferred inflows of resources used in governmental activities are not due and payable in the current year and, therefore, are not reported in the governmental funds.	(3,694,634)
Net OPEB liability is not payable from current financial resources and, therefore, are not reported in the governmental funds.	(368,813)
OPEB related deferred outflows of resources used in governmental activities are not financial resources and, therefore are not reported in the governmental funds.	216,111
OPEB related deferred inflows of resources used in governmental activities are not due and payable in the current year and, therefore, are not reported in the governmental funds.	<u>(123,642)</u>
Net Position - Governmental Activities	<u><u>\$ 63,246,486</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year Ended December 31, 2021

	General Fund	Firestone Urban Renewal Authority - Bighorn	Capital Projects Fund	Debt Service Fund	Total Nonmajor Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 10,504,538	\$ 3,947,106	\$ 4,312,037	\$ -	\$3,296,422	\$22,060,103
Intergovernmental	1,094,106	-	-	-	94,972	1,189,078
Licenses, Fees and Charges	2,698,120	-	1,912,397	-	-	4,610,517
Fines	104,567	-	-	-	-	104,567
Grants	127,574	-	2,723,438	-	-	2,851,012
Investment Earnings/(Loss)	(11,816)	1,025	(17,610)	484	2,297	(25,620)
Miscellaneous	176,576	-	-	-	-	176,576
Total Revenues	14,693,665	3,948,131	8,930,262	484	3,393,691	30,966,233
EXPENDITURES						
Current:						
General Government						
Town Administration	5,186,581	2,161,506	343,441	7,388	3,610,160	11,309,076
Engineering	287,499	-	-	-	-	287,499
Planning	1,502,320	-	-	-	-	1,502,320
Public Safety	4,462,747	-	-	-	-	4,462,747
Public Works	2,389,145	-	-	-	-	2,389,145
Parks	1,391,866	-	-	-	-	1,391,866
Capital Outlay	284,591	-	9,422,166	-	405,446	10,112,203
Debt Service:						
Principal Payments	-	-	-	1,430,000	-	1,430,000
Interest Expenditures	-	-	-	891,470	-	891,470
Total Expenditures	15,504,749	2,161,506	9,765,607	2,328,858	4,015,606	33,776,326
EXCESS OF REVENUE OVER (UNDER)						
EXPENDITURES	(811,084)	1,786,625	(835,345)	(2,328,374)	(621,915)	(2,810,093)
OTHER FINANCING SOURCES (USES)						
Transfers In	2,230,000	-	-	2,327,216	411,023	4,968,239
Transfers Out	(411,023)	-	(4,557,216)	-	-	(4,968,239)
Total Other Financing Sources (Uses)	1,818,977	-	(4,557,216)	2,327,216	411,023	-
NET CHANGE IN FUND BALANCES	1,007,893	1,786,625	(5,392,561)	(1,158)	(210,892)	(2,810,093)
FUND BALANCES - BEGINNING OF YEAR	9,186,403	(41,375)	17,275,850	1,003,493	1,515,026	28,939,397
FUND BALANCES - END OF YEAR	\$ 10,194,296	\$ 1,745,250	\$ 11,883,289	\$ 1,002,335	\$1,304,134	\$26,129,304

The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2021

Net Change in Fund Balances - Total Governmental Funds	\$ (2,810,093)
Amounts reported for governmental activities in the Statement of Activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay in the current period exceeds depreciation.	5,823,734
Contributions of capital assets by developers increase net position in the Statement of of Activities but do not appear in the governmental funds because they are not financial resources.	1,567,367
Net value of disposed capital assets	(31,271)
Repayment of debt principal is an expenditure in the governmental funds. However, these payments are not an expenditure in the Statement of Activities. These payments are reflected as a reduction in long-term debt obligations in the Statement of Net Position.	2,007,207
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	<u>(445,987)</u>
Change in Net Position of Governmental Activities	<u><u>\$ 6,110,957</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
December 31, 2021

	Water Fund	Stormwater Fund	Non-Major Fund	Total
CURRENT ASSETS				
Cash and Investments	\$ 12,429,043	\$ 2,227,648	\$ 278,782	\$ 14,935,473
Receivables	498,353	73,013	-	571,366
Prepaid Items	3,561	264	-	3,825
Cash and Investments, Restricted	20,782,587	-	-	20,782,587
Total Current Assets	<u>33,713,544</u>	<u>2,300,925</u>	<u>278,782</u>	<u>36,293,251</u>
NONCURRENT ASSETS				
Capital Assets:				
Land	5,606,403	-	-	5,606,403
Water Rights	52,470,398	-	-	52,470,398
Utility Systems	21,929,754	7,979,795	-	29,909,549
Construction in Progress	41,754,819	377,400	-	42,132,219
Equipment	534,800	450,969	-	985,769
Less Accumulated Depreciation	(6,393,513)	(835,756)	-	(7,229,269)
Total Noncurrent Assets	<u>115,902,661</u>	<u>7,972,408</u>	<u>-</u>	<u>123,875,069</u>
Total Assets	<u>149,616,205</u>	<u>10,273,333</u>	<u>278,782</u>	<u>160,168,320</u>
DEFERRED OUTFLOWS OF RESOURCES				
Pensions - PERA	228,486	129,182	-	357,668
OPEB	28,032	15,849	-	43,881
Total Deferred Outflows of Resources	<u>256,518</u>	<u>145,031</u>	<u>-</u>	<u>401,549</u>
CURRENT LIABILITIES				
Accounts Payable	4,216,023	35,706	223,210	4,474,939
Retainage Payable	1,292,615	-	-	1,292,615
Accrued Liabilities	19,455	16,464	-	35,919
Accrued Interest Payable	161,467	-	-	161,467
Accrued Compensated Absences	15,777	4,074	-	19,851
Total Current Liabilities	<u>5,705,337</u>	<u>56,244</u>	<u>223,210</u>	<u>5,984,791</u>
NONCURRENT LIABILITIES				
Customer Deposits	243,531	1,736	-	245,267
Accrued Compensated Absences	36,813	9,507	-	46,320
Debt Payable	54,870,543	-	-	54,870,543
Net OPEB Liability	47,839	27,048	-	74,887
Net Pension Liability - PERA	348,374	196,965	-	545,339
Total Noncurrent Liabilities	<u>55,547,100</u>	<u>235,256</u>	<u>-</u>	<u>55,782,356</u>
Total Liabilities	<u>61,252,437</u>	<u>291,500</u>	<u>223,210</u>	<u>61,767,147</u>
DEFERRED INFLOWS OF RESOURCES				
OPEB	16,038	9,068	-	25,106
Pensions - PERA	376,748	213,007	-	589,755
Intergovernmental	218,487	-	-	218,487
Total Deferred Inflows of Resources	<u>611,273</u>	<u>222,075</u>	<u>-</u>	<u>833,348</u>
NET POSITION				
Net Investment in Capital Assets	82,178,524	7,608,589	-	89,787,113
Unrestricted	5,830,489	2,296,200	55,572	8,182,261
Total Net Position	<u>\$ 88,009,013</u>	<u>\$ 9,904,789</u>	<u>\$ 55,572</u>	<u>\$ 97,969,374</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended December 31, 2021

	Water Fund	Stormwater Fund	Non-Major Fund	Total
OPERATING REVENUES				
Charges for Services	\$ 7,596,363	\$ 651,010	\$ 287,361	\$ 8,534,734
Licenses and Fees	209,445	173,555	-	383,000
Other Operating Revenues	12,951	-	-	12,951
Total Operating Revenues	<u>7,818,759</u>	<u>824,565</u>	<u>287,361</u>	<u>8,930,685</u>
OPERATING EXPENSES				
Operations	1,157,188	340,690	-	1,497,878
Administration	488,821	221,957	240,220	950,998
Resources	1,125,662	-	-	1,125,662
Water Treatment and Tap Fees	2,455,388	-	-	2,455,388
Pension Expense - PERA	188,305	88,213	-	276,518
OPEB Expense	(4,027)	16,305	-	12,278
Depreciation	510,524	211,164	-	721,688
Total Operating Expenses	<u>5,921,861</u>	<u>878,329</u>	<u>240,220</u>	<u>7,040,410</u>
OPERATING INCOME (LOSS)	<u>1,896,898</u>	<u>(53,764)</u>	<u>47,141</u>	<u>1,890,275</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings/(Loss)	16,164	(3,207)	-	12,957
Interest Expense	(1,415,207)	-	-	(1,415,207)
(Loss) on Disposal of Assets	(5,917)	-	-	(5,917)
Total Nonoperating Revenues (Expenses)	<u>(1,404,960)</u>	<u>(3,207)</u>	<u>-</u>	<u>(1,408,167)</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS	491,938	(56,971)	47,141	482,108
Contributed Capital Assets	<u>-</u>	<u>655,365</u>	<u>-</u>	<u>655,365</u>
CHANGE IN NET POSITION	491,938	598,394	47,141	1,137,473
NET POSITION - BEGINNING OF YEAR	<u>87,517,075</u>	<u>9,306,395</u>	<u>8,431</u>	<u>96,831,901</u>
NET POSITION - END OF YEAR	<u>\$ 88,009,013</u>	<u>\$ 9,904,789</u>	<u>\$ 55,572</u>	<u>\$ 97,969,374</u>

The accompanying notes are an integral part of these financial statements.

**TOWN OF FIRESTONE
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended December 31, 2021**

	Business-Type Activities			Total
	Water Fund	Stormwater Fund	Non-Major Fund	
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Customers	\$ 7,583,931	\$ 822,715	\$ 297,361	\$ 8,704,007
Cash Paid to Suppliers	(3,275,805)	(423,274)	(18,642)	(3,717,721)
Cash Paid to and for Employees	(292,964)	(108,452)	-	(401,416)
Other Receipts	12,951	-	-	12,951
Net Cash Provided by Operating Activities	<u>4,028,113</u>	<u>290,989</u>	<u>278,719</u>	<u>4,597,821</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Financing Expense	(1,937,600)	-	-	(1,937,600)
Acquisition of Capital Assets	<u>(30,297,637)</u>	<u>(445,516)</u>	<u>-</u>	<u>(30,743,153)</u>
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(32,235,237)</u>	<u>(445,516)</u>	<u>-</u>	<u>(32,680,753)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment Income (Loss)	16,164	(3,207)	-	12,957
Net Cash Provided (Used) by Investing Activities	<u>16,164</u>	<u>(3,207)</u>	<u>-</u>	<u>12,957</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(28,190,960)	(157,734)	278,719	(28,069,975)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>61,402,590</u>	<u>2,385,382</u>	<u>63</u>	<u>63,788,035</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 33,211,630</u>	<u>\$ 2,227,648</u>	<u>\$ 278,782</u>	<u>\$ 35,718,060</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 1,896,898	\$ (53,764)	\$ 47,141	\$ 1,890,275
Adjustments to Reconcile Operating Income (Loss) to Net Cash Flows from Operating Activities				
Depreciation and Amortization	510,524	211,164	-	721,688
(Increase) Decrease in Accounts Receivable	(236,287)	(1,850)	10,000	(228,137)
(Increase) Decrease in Prepaid Expenses	(2,976)	(26)	-	(3,002)
Increase (Decrease) in Customer Deposits	14,410	-	-	14,410
Increase (Decrease) in Retainage Payable	1,112,728	-	-	1,112,728
Increase (Decrease) in Accounts Payable	296,471	18,161	221,578	536,210
Increase (Decrease) in Accrued Expenses	436,345	117,304	-	553,649
NET CASH FLOWS FROM OPERATING ACTIVITIES	<u>\$ 4,028,113</u>	<u>\$ 290,989</u>	<u>\$ 278,719</u>	<u>\$ 4,597,821</u>
NON-CASH INVESTING AND FINANCING TRANSACTIONS				
Contributed Capital Assets	\$ -	\$ 655,365	\$ -	\$ 655,365
NON-CASH INVESTING AND FINANCING TRANSACTIONS	<u>\$ -</u>	<u>\$ 655,365</u>	<u>\$ -</u>	<u>\$ 655,365</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the Town of Firestone (the Town), have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant accounting policies.

Financial Reporting Entity

The Town was incorporated in 1908 as a statutory municipality. The governing body of the Town consists of a mayor and six Board of Trustee members. The Town's major operations include general administrative services, municipal court, planning and development, engineering, public safety, public works, parks, utility billing, water services, and street and storm drainage systems.

In conformance with governmental accounting and financial reporting standards, the Town is the reporting entity for financial reporting purposes. The Town is the primary government financially accountable for all activities of the Town. The Town meets the criteria of a primary government: its Town Board of Trustees is the publicly elected governing body; it is a legally separate entity; and it is fiscally independent. The Town is not included in any other governmental reporting entity.

As defined by GAAP established by the GASB, the financial reporting entity consists of the primary government, as well as component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. The Town is financially accountable for an organization if the Town appoints a voting majority of the organization's governing board and (1) the Town is able to significantly influence the programs or services performed or provided by the organizations; or (2) the Town is legally entitled to or can otherwise access the organization's resources; the Town is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the Town is obligated for the debt of the organization.

Based on the application of the above criteria, the Town considers the Firestone Urban Renewal Authorities, and the St Vrain Water Authority as blended component units. The Firestone Urban Renewal Authorities were established to develop and implement a plan to renew and revitalize portions of the northern, central, southern and bighorn Firestone areas. The Firestone Urban Renewal Authority – Southern did not have any activity during 2021. The St. Vrain Water Authority was formed in 2019 for the purpose of owning and operating the St. Vrain Water Treatment Plant to provide potable water for the benefit of the Members, the Town of Firestone and the Little Thompson Water District. While the Firestone Urban Renewal Authorities are considered special revenue funds, the St. Vrain Water Authority is a nonmajor enterprise fund. The basis for blending the Firestone Urban Renewal Authorities and the St. Vrain Water Authority is that the Town's Board acts as the governing board for the entities or appoints the voting majority of the governing board. Also, the Firestone Urban Renewal Authority exists to exclusively serve the Town and the St. Vrain Water Treatment Plant exists to almost exclusively serve the Town. Separate financial statements are not issued for either of the two entities.

Joint Ventures

The Town may participate in joint ventures created for special purposes which are not part of the Town's reporting entity. The following is a description of the only joint venture in which the Town participated in during the year ended December 31, 2021.

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

The **E911 Emergency Telephone Service Authority Board** (E911 Authority) was created by intergovernmental agreements pursuant to Article 11 of Title 29, C.R.S., as amended, that authorizes the county, municipalities within the county, and special districts within the county to enter into an agreement for the purpose of providing 911 emergency telephone services. Per the state statute cited above, the agreement creates a separate legal entity which is responsible for administering the operations of the 911 emergency telephone service program in Weld County. The authority board consists of seven members with four selected by the Weld County Commissioners, one member each is selected by the City of Greeley, City of Fort Lupton and Weld County Sheriff. Under the by-laws of E911 Authority, Weld County is required to pay all operating costs. They are to maintain all accounts and have accounts audited. State statute requires that all funds be maintained by the Weld County Treasurer. The operation of the E911 Authority is done contractually by the Weld County Communication Regional Center. The financial statements are prepared for E911 Emergency Telephone Service Authority Board by Weld County, Colorado. In conformity with generally accepted accounting principles (GAAP) as applied to a government unit the E911 Authority's financial reports are a component unit in the Weld County Comprehensive Annual Financial Report (CAFR). Complete financial statements of this joint venture are available at:

<https://www.weldgov.com/Government/Departments/Finance-and-Administration/Accounting-Department/Annual-Report>.

Investments in joint ventures are recorded as expenditures at the time the investment is made.

Government-Wide and Fund Financial Statements

The government-wide statements include the Statement of Net Position and the Statement of Activities, which display information about the primary government (the Town) and its component units. These statements distinguish between the *governmental* and *business-type activities* of the Town. Governmental activities are generally financed through taxes, intergovernmental revenues and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The Statement of Net Position reports all financial and capital resources of the Town. The difference between the sum of assets and deferred outflows of resources and the sum of liabilities and deferred inflows of resources is reported as net position.

The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the Town and for each function of the Town's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

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

Governmental Funds

Governmental funds are those through which governmental functions of the Town are financed. The acquisition, use and balances of the Town's expendable financial resources and the related liabilities are accounted for through governmental funds. The measurement focus is upon determination of and changes in financial position rather than upon net income. The following are the Town's major governmental funds:

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

The General Fund is the general operating fund of the Town. It is used to account for financial resources except those required to be accounted for in another fund.

The Capital Projects Fund accounts for the activities associated with the procurement, construction and rehabilitation of non-enterprise infrastructure and facilities.

The Debt Service Fund accounts for principal and interest payments on general long-term liabilities. Only debt service payments are processed through the Debt Service Fund.

The Firestone Urban Renewal Authority - Bighorn Fund accounts for the activities associated with the urban renewal area including Tax Increment Financing (TIF) revenue and approved expenditures to help improve this blighted area.

Other Governmental Funds are non-major funds and include Special Revenue Funds (Conservation Trust, Firestone Urban Renewal Authority – Southern, Firestone Urban Renewal Authority – Northern, and Firestone Urban Renewal Authority – Central) which have been established to account for revenues derived from specific taxes or other earmarked revenue sources which finance specific activities as required by law or administrative action.

Proprietary Funds

Proprietary funds focus on the determination of the changes in net position, financial position and cash flows and are classified as enterprise funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. The Town reports the following major enterprise funds:

The Water Fund accounts for the financial transactions related to the water service operations of the Town.

The Stormwater Fund accounts for the financial transactions related to the stormwater service operations of the Town.

The Town has one nonmajor enterprise fund, St Vrain Water Authority. The authority was established to oversee the water treatment plant and any revenues or expenses that are incurred to operate this facility.

Measurement Focus, Basis of Accounting

The government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Property taxes are reported as revenue in the fiscal year for which the taxes are levied. Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

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 when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days after year-end. Property taxes, sales taxes, grants and intergovernmental revenues are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. The operating expenses for the proprietary funds include the cost of administrative expenses, services and supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Budgets and Budgetary Accounting

In accordance with the State Budget Law, the Town Board of Trustees annually adopts the Budget Resolution for all operating funds of the Town. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, with the exception of the proprietary funds, which are budgeted on a non-GAAP basis of accounting. All annual appropriations are at the fund level and lapse at fiscal year-end.

By October 20 of each year, a proposed operating budget is submitted to the Board of Trustees for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. Public hearings are conducted by the Town to obtain taxpayer comments.

Prior to December 15, the budget is legally adopted through passage of a resolution for all Town funds. Revisions that increase the expenditure of any fund must be approved by the Board of Trustees by passage of a subsequent resolution. The Budgets for the General Fund and the Firestone Urban Renewal Authority – Bighorn were amended by the Board of Trustees through resolutions 22-54 and 22-02, respectively.

Cash and Investments

All cash is pooled and invested by the Town. The Town makes investments pursuant to its investment policy and relevant State of Colorado statutes. For purposes of the Statement of Cash Flows, cash equivalents are defined as liquid investments with original maturity dates of 90 days or less at the time of purchase.

Investments at December 31, 2021, consisted of money market funds; investment in a local government investment pool; CSAFE – Cash Portfolio, CSAFE – Colorado Core, and ColoTrust in accordance with GASB Statement 72 "Fair Value Measurement and Application"; and investments with Morgan Stanley Smith Barney, LLC.

Investments in Corporate Bonds, U.S. Government agency securities, and U.S. Treasury notes are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same – that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market and participants at the measurement date under current market conditions. Fair value is an

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exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. Purchases and sales of securities are recorded on a trade-date basis. See Note 3 for additional information regarding fair value measures. Earnings on investments are recognized when earned and include realized and unrealized gains/(loss) on investments. Investment earnings are allocated to the various funds based on their pooled cash and investment balances.

Receivables and Payables

Receivables, not including property tax receivables, are shown net of an allowance for uncollectible amounts. Activities between funds where an outstanding balance is present at year-end and is expected to be repaid within one year are reported as “due to/from other funds” in the fund financial statements. If such balances are expected to remain outstanding for more than one year from the current year-end date, the balances are reported as “advances to/from other funds.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

No allowance is provided for utility service charges since delinquent amounts are certified as a lien against the property billed and are expected to be fully collectible.

Property Tax Calendar

Property taxes are not due and payable until after the assessment year has ended and are not included in the budget or Statement of Revenues, Expenditures and Changes in Fund Balance of the assessment year.

Property taxes are recorded as deferred inflows of resources in the year they are levied and measurable. The deferred property tax revenues are recorded as revenue in the year they are available or collected.

By December 15th of each year, property taxes for the Town are levied by the Board of Trustees and certified to Weld County (the County) for collection in the subsequent year. These taxes attach as an enforceable lien on property as of January 1 of the succeeding year and are payable in full by April 20 or in two installments by June 15 in the year of collection. The taxes are collected by the County Treasurer on behalf of the Town. A 1% collection fee is retained by the County as compensation for collecting the taxes.

Prepaid Items

Payments made to vendors for services that will benefit periods beyond year end are recorded as prepaid items in the government-wide and fund financial statements and will be reported as expenses/expenditures in the following year.

Capital Assets

Capital assets, which include land, water rights, buildings and improvements, land improvements, infrastructure, equipment and vehicles, and construction in progress are reported in the government-wide financial statements. The Town defines capital assets as assets with an initial, individual cost of \$5,000 or more and a useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Major outlays for capital assets and improvements are classified and depreciated, or dedicated to other entities, after the projects are completed.

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

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Land Improvements	5-30 years
Buildings and Improvements	10-30 years
Infrastructure	5-50 years
Equipment and Vehicles	3-30 years

Compensated Absences

It is the Town's policy to permit employees to accumulate earned but unused paid time off (PTO) and compensatory time. It is the Town's policy to permit employees to accumulate earned but unused paid time off up to a maximum of 320 hours, dependent on length of service. Compensatory time is allowed to accrue up to 32 hours. All paid time off is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in the governmental funds only if they have matured. Compensated absences for governmental activities are paid from the General Fund.

Long-Term Obligations

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund-type Statement of Net Position. Long-term debt premiums and discounts are amortized over the life of the related debt using the effective interest method. Debt issuance costs are reported as an outflow of resources and are reported as expenses in the period incurred.

In the governmental fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position

Net position is classified in three components. Net investment in capital assets consists of capital assets, net of accumulated depreciation, and is reduced by the outstanding balances of any borrowings used to finance the purchase or construction of those assets. Any unspent proceeds of debt are not included in the determination of net investment in capital assets. Restricted net position is noncapital assets that must be used for a particular purpose, as specified by creditors, grantors, or contributors external to the Town. Unrestricted net position is the remaining net position that does not meet the definition of net investment in capital assets or restricted net position.

Fund Balance

In the governmental fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable: amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

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Restricted: amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed: amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Trustees, the Town's highest level of decision-making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Trustees.

Assigned: amounts the Town intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. The Board of Trustees has the authority to assign amounts for specific purposes.

Unassigned: a residual classification within the General Fund. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Negative fund balances in other governmental funds are reported as unassigned once other purposes of that fund were reduced.

For the General Fund, in the event that an expenditure can be considered restricted or unrestricted (committed, assigned, or unassigned) and both categories have available amounts, the funds will be first applied against the most restrictive fund balance classification, unless the Town has provided otherwise in its commitment or assignment actions.

Contribution of Capital

Contributions of capital arise from outside contributions of capital assets, or from grants or outside contributions of resources for capital acquisition and construction.

Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed. All other interfund transactions are reported as transfers.

Deferred Outflows and Inflows of Resources

In addition to assets and liabilities, the Statement of Net Position will sometimes report separate sections for deferred outflows of resources and deferred inflows of resources. A deferred outflow of resources represents a consumption of net assets that applies to future periods, and a deferred inflow of resources represents an acquisition of net assets that applies to future periods. Both deferred outflows and inflows are reported in the Statement of Net Position but are not recognized in the financial statements as revenues and expenses until the period(s) to which they relate.

The Town has certain items that relate to its pension and other post-employment benefit plans that qualify for reporting as deferred outflows of resources and deferred inflows of resources. See Notes 8, 10, and 13 for more information. Deferred inflows of resources also consist of property taxes receivable. Property tax revenue is considered a deferred inflow of resources in the year the taxes are levied and measurable and are recognized as an inflow of resources in the period they are collected.

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Pensions

The Town participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension fund administered by the Public Employees' Retirement Association of Colorado ("PERA"). In addition, the Town participates in the Statewide Defined Benefit Plan ("SWDB"), a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado ("FPPA").

The net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position of the plans have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions (OPEB)

The Town participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plan administered by the Public Employees' Retirement Association of Colorado (PERA). For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the HCTF administered by PERA and additions to/deductions from the HCTF's fiduciary net position have been determined on the same basis as they are reported by the HCTF. For this purpose, the HCTF recognizes benefit payments when due and payable in accordance with benefit terms. Investments are reported at fair value.

Fire and Police Pension Association of Colorado (FPPA) administers the Statewide Death & Disability Plan discussed in Note 8, which qualifies as a cost sharing multiple-employer defined benefit OPEB plan under the standard. This plan covers substantially all active full-time (and some part-time) employees of fire and police departments in Colorado. As it pertains to the requirements in Statement No. 75 regarding the FPPA Statewide Death & Disability Plan and the Town, FPPA concluded that because all contributions to the plan are considered member contributions (and not employer), the employers' proportionate share of any FPPA Net OPEB liability (asset) is zero.

Use of Estimates

The preparation of financial statements, in conformity with GAAP, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates and could be material.

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NOTES TO FINANCIAL STATEMENTS
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NOTE 2 – RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund Balance Sheet and the government-wide Statement of Net Position.

The governmental fund Balance Sheet includes a reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide Statement of Net Position.

Reconciliation of Government-Wide and Fund Financial Statements		
Capital Assets		
Non-Depreciable	\$ 12,278,537	
Depreciable	99,819,294	
Accumulated Depreciation	<u>(46,386,998)</u>	
		65,710,833
Long-Term Debt	(24,909,228)	
Compensated Absences	(557,056)	
Accrued Interest Payable	<u>(108,753)</u>	
		(25,575,037)
Recognize Deferred Inflow of Resource		12,167
Net Pension Asset	671,289	
Net Pension Liability	(2,685,747)	
Pension related Deferred Outflow of Resources	2,954,655	
Pension related Deferred Inflow of Resources	<u>(3,694,634)</u>	
		(2,754,437)
Net OPEB Liability	(368,813)	
OPEB related Deferred Outflow of Resources	216,111	
OPEB related Deferred Inflow of Resources	<u>(123,642)</u>	
		(276,344)
Net Adjustment to Fund Balance		<u><u>\$37,117,182</u></u>

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Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities.

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net changes in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities.

Reconciliation of Government-Wide and Fund Financial Statements		
Capital Outlays	\$ 10,112,203	
Depreciation Expense	<u>(4,288,469)</u>	5,823,734
Contributed Capital Assets		1,567,367
Disposed Capital Assets	(528,963)	
Accumulated Depreciation on Disposed Assets	<u>497,692</u>	
Net Value of Disposed Capital Assets		(31,271)
Debt Principal Expended in Governmental Funds		2,007,207
Change in Compensated Absences	790	
Change in Accrued Interest on Long Term Debt	(30,274)	
Long Term Debt Premium Amortization	85,847	
Change in Deferred Inflow of Resource	(7,447)	
Pension Expense	(497,700)	
OPEB Expense	<u>2,797</u>	
		(445,987)
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities		<u><u>\$ 8,921,050</u></u>

NOTE 3 - CASH AND INVESTMENTS

At December 31, 2021, the Town’s cash and investments are classified in the accompanying financial statements as follows:

Statement of Net Position:		
Cash and Investments	\$ 38,406,503	
Cash and Investments, Restricted	<u>24,733,954</u>	
Total Cash and Investments		<u><u>\$ 63,140,457</u></u>

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At December 31, 2021, the Town’s cash and investments consist of the following:

Cash on Hand	\$	1,149
Cash Deposits		339,402
Investments		62,799,906
Total Cash and Investments	\$	63,140,457

CASH DEPOSITS

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash be in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by 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 aggregate uninsured deposits.

INVESTMENTS

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include:

- Obligations of the United States and certain U.S. government agencies’ securities
- Certain international agency securities
- General obligation and revenue bonds for U.S. local government entities
- Bankers’ acceptance of certain banks
- Commercial paper
- Written repurchase agreements collateralized by certain authorized securities
- Certain securities lending agreements
- Certain money market mutual funds
- Guaranteed investment contracts
- Local government investment pools
- Certain corporate bonds

COLOTRUST

The Town invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust operates similarly to a money market fund and each share is equal in value to \$1.00. The Trust offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and any security allowed under CRS 24-75-601. A designated custodial bank serves as custodian for the Trust’s portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust’s investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian’s internal records segregate investments owned by the Trust. COLOTRUST is rated AAAM by Standard & Poor’s. COLOTRUST records its investments at fair value and the Town records its investment in COLOTRUST using the net

**TOWN OF FIRESTONE, COLORADO
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asset value method. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

CSAFE

The Town invested in the Colorado Surplus Asset Fund Trust (CSAFE) (the Trust), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The Trust offers funds in two portfolios, CSAFE Cash (CSAFE) and CSAFE Colorado Core (CORE). The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAmmf by Fitch Ratings. CSAFE measures all of its investments at amortized cost with a weighted average maturity of 60 days or less. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period. CORE authorized securities primarily include highly rated commercial paper and corporate bonds, bank deposits (collateralized through PDPA) and other Colorado LGIP funds inclusive of other funds offered by the Trust as allowed. CORE operates similarly to a money market fund and each share is equal in value to \$2.00. CORE measures all of its investments at amortized cost with a weighted average maturity of 180 days or less. CORE is rated AAAf/S1 by Fitch Ratings. There are no unfunded commitments, the redemption frequency is daily and there is no redemption notice period.

Credit Risk

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. It is the Town's policy to limit its investments to U.S. Treasury obligations, repurchase agreements, government backed securities, money market mutual funds, local government investment pools, and corporate obligations.

The Town's investment policy is to "invest idle public funds in a manner to meet the daily cash flow demands of the Town with the primary objective in priority order, being: a) safety of principal b) liquidity and c) return on investments." Investments shall be diversified so as to minimize the risk of loss and to maximize the rate of return.

Interest Rate Risk

As a means of limiting its exposure to fair value losses arising from rising interest rates, the Town's investment policy does not allow investment maturities to exceed five years. This limit on investment maturities is a means of limiting exposure to adverse fair market value changes arising from increasing interest rates.

Custodial Credit Risk

For investments, custodial credit risk is the risk that in the event of a failure of a counter party, the Town would not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town manages its credit risk by limiting its investment to certain types of

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securities allowed by State statutes, by pre-qualifying financial institutions, brokers/dealers, intermediaries, and advisors.

Fair Value

The Town, when applicable, categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements must maximize the use of observable inputs and minimize the use of unobservable inputs. There is a hierarchy of three levels of inputs that may be used to measure fair value.

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

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

Level 3: Unobservable inputs for an asset or liability.

For the Town, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Treasury securities. These investments are reported at fair value based on quoted market prices obtained from exchanges.

U.S. Government agency securities. U.S. Government securities are reported at fair value based on bullet (noncall) spread scale for each issuer for maturities going out 40 years. These spreads represent credit risk and are obtained from the new issue market, secondary trading and dealer quotes.

An Option Adjusted Spread (OAS) model is incorporated to adjust spreads of issues that have early redemption features. Final spreads are added to a U.S. Treasury curve. A cash discounting yield/price routine calculates prices from final yields to accommodate odd coupon payment dates typical of medium term notes.

Corporate Bonds. These investments are reported at fair value based on evaluation using markets sources and integrating relative credit information, observed market movements, and sector news into the evaluated pricing applications and models.

The Town has no assets reported at fair value on a nonrecurring basis and other investments meeting the fair value disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 72.

The following table presents the minimum rating, actual rating, investment portfolio percentage and weighted average maturity in years for each investment type as required by the Town's investment policy as of December 31, 2021.

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Investment Type	Balance	Minimum Rating Required	S&P Rating	Moody's Rating	Total Investment Portfolio Percentage	Weighted Average Maturity	Fair Value Measure- ment
Investments Measured at Fair Value:							
Federated Hrms Trs Inst	\$ 1,579,370	N/A	AAAm	Aaa	3%	-	Level 2
Federal Farm Credit Banks Funding Corp	1,250,350	N/A	AA+	Aaa	2%	0.23	Level 2
United States Treasury	6,947,090	N/A	AA+	Aaa	11%	3.30	Level 1
Federal Home Loan Banks	3,525,444	N/A	AA+	Aaa	6%	2.47	Level 2
Berkshire Hathaway Inc	510,520	N/A	AA	Aa2	1%	1.20	Level 2
Federal National Mortgage Association	1,969,420	N/A	AA+	Aaa	3%	3.65	Level 2
Austin Tex Municipal	110,107	N/A	AAA	Aa1	0%	3.67	Level 2
Federal Home Loan Mortgage Corp	633,281	N/A	AA+	Aaa	1%	3.80	Level 2
Investments Measured at Amortized Cost:							
Colorado Surplus Asset Fund Trust (CSAFE) - Cash Portfolio	2,454,602	N/A	AAAm	NR	4%	-	Level 1
Colorado Surplus Asset Fund Trust (CSAFE) - Colorado CORE	42,817,565	N/A	AAAm	NR	68%	-	Level 1
Investments Measured at Net Asset Value:							
Colorado Local Government Liquid Asset Trust (COLOTRUST)	1,002,157	N/A	AAAm	NR	2%	-	Level 1
	<u>\$ 62,799,906</u>				<u>100%</u>	<u>1.67</u>	

NOTE 4 - ACCOUNTS RECEIVABLE

Receivables at December 31, 2021, consist of the following:

Receivables	Governmental Activities	Business - Type Activities	Total
Taxes	\$ 3,493,411	\$ -	\$ 3,493,411
Customer Utilities	19,052	326,810	345,862
Other	152,172	244,556	396,728
Total Funds	<u>\$ 3,664,635</u>	<u>\$ 571,366</u>	<u>\$ 4,236,001</u>

NOTE 5 - INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

Transfers to and from the various funds consist of the following:

Transfers Out	Transfers In			Total
	General	Debt Service	Nonmajor Governmental	
Major Fund				
General	\$ -	\$ -	\$ 411,023	\$ 411,023
Capital Projects	2,230,000	2,327,216	-	4,557,216
Total	<u>\$ 2,230,000</u>	<u>\$ 2,327,216</u>	<u>\$ 411,023</u>	<u>\$ 4,968,239</u>

Transfers to and from the various funds were to cover the costs of operations, capital expenditures and debt service. The transfer to the General Fund from the Capital Projects Fund is to cover the expenditures related to parks and streets. The transfer into the Debt Service Fund from the Capital Project Fund is pledged revenue for the purpose of paying debt related costs. The transfer from the General Fund into the Conservation Trust Fund was made to transfer the fund balance from General Fund to the newly

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created Conservation Trust Fund. This money has always been legally restricted to meet the guidelines of the Colorado Department of Revenue.

NOTE 6 - CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 6,920,060	\$ -	\$ -	\$ 6,920,060
Construction in Progress	1,830,395	9,533,841	6,005,759	5,358,477
Total Capital Assets Not Being Depreciated	<u>8,750,455</u>	<u>9,533,841</u>	<u>6,005,759</u>	<u>12,278,537</u>
Other Capital Assets:				
Land Improvements	7,166,281	241,010	-	7,407,291
Buildings and Improvements	17,858,183	5,928,038	139,198	23,647,023
Infrastructure	60,640,113	1,573,730	-	62,213,843
Equipment and Vehicles	6,532,192	408,710	389,765	6,551,137
Total Other Capital Assets	<u>92,196,769</u>	<u>8,151,488</u>	<u>528,963</u>	<u>99,819,294</u>
Less Accumulated Depreciation for:				
Land Improvements	(5,389,808)	(293,802)	-	(5,683,610)
Buildings and Improvements	(1,823,490)	(614,035)	120,471	(2,317,054)
Infrastructure	(32,303,267)	(2,572,639)	-	(34,875,906)
Equipment and Vehicles	(3,079,656)	(807,993)	377,221	(3,510,428)
Total Accumulated Depreciation	<u>(42,596,221)</u>	<u>(4,288,469)</u>	<u>497,692</u>	<u>(46,386,998)</u>
Other Capital Assets, Net	<u>49,600,548</u>	<u>3,863,019</u>	<u>31,271</u>	<u>53,432,296</u>
Governmental Activities Capital Assets, Net	<u>\$ 58,351,003</u>	<u>\$ 13,396,860</u>	<u>\$ 6,037,030</u>	<u>\$ 65,710,833</u>

Depreciation expense for governmental activities capital assets was allocated as follows:

Governmental Activities:	
General Government	\$ 148,512
Public Safety	858,796
Public Works	2,987,359
Parks	293,802
Total	<u><u>\$ 4,288,469</u></u>

**TOWN OF FIRESTONE, COLORADO
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	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-Type Activities</u>				
Capital Assets Not Being Depreciated:				
Land	\$ 5,606,403	\$ -	\$ -	\$ 5,606,403
Water Rights	52,330,398	140,000	-	52,470,398
Construction in Progress	10,280,172	31,922,832	70,785	42,132,219
Total Capital Assets Not Being Depreciated	<u>68,216,973</u>	<u>32,062,832</u>	<u>70,785</u>	<u>100,209,020</u>
Other Capital Assets:				
Infrastructure	29,183,399	726,150	-	29,909,549
Equipment and Vehicles	1,113,715	-	127,946	985,769
Total Other Capital Assets	<u>30,297,114</u>	<u>726,150</u>	<u>127,946</u>	<u>30,895,318</u>
Less Accumulated Depreciation for:				
Infrastructure	(6,060,340)	(600,969)	-	(6,661,309)
Equipment and Vehicles	(569,271)	(120,719)	122,030	(567,960)
Total Accumulated Depreciation	<u>(6,629,611)</u>	<u>(721,688)</u>	<u>122,030</u>	<u>(7,229,269)</u>
Other Capital Assets, Net	<u>23,667,503</u>	<u>4,462</u>	<u>5,916</u>	<u>23,666,049</u>
Business-Type Activity Capital Assets, Net	<u>\$ 91,884,476</u>	<u>\$ 32,067,294</u>	<u>\$ 76,701</u>	<u>\$ 123,875,069</u>

Depreciation expense was charged to business-type activities capital assets as follows:

Business-Type Activities:	
Water	\$ 510,524
Stormwater	211,164
Total	<u><u>\$ 721,688</u></u>

Currently, the Town is constructing a water treatment plant. It will be dedicated by the Firestone Water Fund to the St. Vrain Water Authority upon completion and acceptance by the St. Vrain Water Authority.

NOTE 7 - LONG-TERM DEBT

Pledged Revenues

During 2006 and 2008, the Town executed two reimbursement agreements (an Amended and Restated Public Improvements Reimbursement Agreement and Retail Infrastructure Funding Agreement) (the "Plan") with a developer (the "Developer") see Note 17 for additional information. Pursuant to the Plan, the Town will reimburse the Developer for costs incurred in constructing certain assets that were conveyed to the Town upon completion. Reimbursements are made based on a percentage of revenues derived from sales tax charged by the Town, commencing with the date the assets were completed by the developer and conveyed to the Town. Any unpaid balance accrues interest at the Wall Street Journal Prime Rate, capped at 7 percent per annum, compounding monthly until the balance is paid in full.

The Town follows guidance provided in GASB No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, to account for the assets received, and payments made in connection with these agreements. Accordingly, the pledged revenues are treated as an obligation of the Town, until fully repaid. The assets have been capitalized and are depreciated

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over their useful lives in the government-wide financial statements. At December 31, 2021, there is no balance due to the Developer.

Following is a schedule of changes in long-term debt for the year ended December 31, 2021:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions/ Adjustments</u>	<u>Ending Balance</u>	<u>Amounts Due Within One Year</u>
Governmental Activities					
Direct Borrowings and Direct Placements					
2019 Certificates of Participation	\$ 5,085,000	\$ -	\$ (510,000)	\$ 4,575,000	\$ 525,000
2020 Certificates of Participation	4,000,000	-	(365,000)	3,635,000	375,000
Leases - Vehicles and Equipment	577,207	-	(577,207)	-	-
Bonds					
2014 Sales Tax Revenue Bonds	2,675,000	-	(170,000)	2,505,000	170,000
Premium on 2014 Bonds	15,516	-	(1,963)	13,553	1,872
Other					
2018 Certificates of Participation	13,490,000	-	(385,000)	13,105,000	400,000
Premium on 2018 COPs	1,159,559	-	(83,884)	1,075,675	81,761
Compensated Absences	557,846	631,935	(632,725)	557,056	167,117
Total Governmental Long-Term Debt	<u>\$ 27,560,128</u>	<u>\$ 631,935</u>	<u>\$ (2,725,779)</u>	<u>\$ 25,466,284</u>	<u>\$ 1,720,750</u>
Business-Type Activities					
Bonds					
2020 Water Revenue Bonds	\$ 45,955,000	\$ -	\$ -	\$ 45,955,000	\$ -
Premium on 2020 Bonds	9,437,936	-	(522,393)	8,915,543	522,393
Other					
Compensated Absences	39,373	101,521	(74,723)	66,171	19,851
Total Business-Type Long-Term Debt	<u>\$ 55,432,309</u>	<u>\$ 101,521</u>	<u>\$ (597,116)</u>	<u>\$ 54,936,714</u>	<u>\$ 542,244</u>

Certificates of Participation

In April 2018, the Town entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2018 in the amount of \$14,830,000, the proceeds of which were for the purpose of financing the construction of the Town's new Public Safety Facility, fund the reserve fund, and pay the costs of issuing the certificates. The 2018 Certificates of Participation are to be retired over a 25-year period with interest rates ranging from 3.00% to 5.00%.

The 2018 Certificates of Participation are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the Town within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through November 15, 2042. These payments are payable from the Debt Service Fund.

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Annual debt service requirements to maturity for certificates outstanding at December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	400,000	593,000	993,000
2023	425,000	577,000	1,002,000
2024	435,000	560,000	995,000
2025	450,000	542,600	992,600
2026	470,000	526,600	996,600
2027 - 2031	2,640,000	2,336,000	4,976,000
2032 - 2036	3,225,000	1,745,050	4,970,050
2037 - 2041	4,110,000	874,000	4,984,000
2042	950,000	47,500	997,500
Total	<u>\$13,105,000</u>	<u>\$ 7,801,750</u>	<u>\$20,906,750</u>

In June 2019, the Town entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2019 in the amount of \$5,585,000, the proceeds of which were for the purpose of financing the construction of a new Town Hall, financing improvements to the Public Works facility, and pay the costs of issuing the certificates. The 2019 Certificates of Participation are to be retired over a 10-year period with a fixed interest rate of 2.45%.

The 2019 Certificates of Participation are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the Town within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through November 15, 2029. These payments are payable from the Debt Service Fund. Annual debt service requirements to maturity for certificates outstanding at December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	525,000	112,088	637,088
2023	540,000	99,225	639,225
2024	550,000	85,995	635,995
2025	565,000	72,520	637,520
2026	580,000	58,677	638,677
2027 - 2029	1,815,000	89,670	1,904,670
Total	<u>\$ 4,575,000</u>	<u>\$ 518,175</u>	<u>\$ 5,093,175</u>

In September 2020, the Town entered into a Lease Purchase Agreement with a financial institution for the Certificates of Participation, Series 2020 in the amount of \$4,000,000, the proceeds of which were for the purpose of financing the construction of a new Town Hall, financing improvements to Public Works Facility, retiring the 2005 Certificates of Participation, and paying the costs of issuing the certificates. The 2020 Certificates of Participation are to be retired over a 10-year period with a fixed interest rate of 1.82%.

The 2020 Certificates of Participation are subject to annual appropriation and do not constitute a general obligation or other indebtedness or multiple fiscal year obligation of the Town within the meaning of any constitutional statutory debt limitation. Principal payments are due annually and interest payments are due semiannually through December 1, 2030. These payments are payable from the Debt Service Fund.

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Annual debt service requirements to maturity for certificates outstanding at December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	375,000	66,157	441,157
2023	380,000	59,332	439,332
2024	390,000	52,416	442,416
2025	395,000	45,318	440,318
2026	405,000	38,129	443,129
2027 - 2030	1,690,000	77,623	1,767,623
Total	<u>\$ 3,635,000</u>	<u>\$ 338,975</u>	<u>\$ 3,973,975</u>

The collateral for the 2019 and 2020 Certificates of Participation direct placements consists of the existing Town Hall facility, current site, and the premises as well as the newly constructed Town Hall and site. In the event of default, the lessor has the right to re-lease the property. The Town's outstanding debt from direct placements contain provisions, regarding certain events of default, which are customary and consistent with normal municipal financings. Acceleration is not a remedy for such events of default.

Sales Tax Revenue Bonds

Sales Tax Revenues Bonds, Series 2014, in the amount of \$3,795,000 were issued on April 8, 2014, to pay or reimburse the costs of the acquisition, development, construction, repair, replacement, expansion, rehabilitation and renovation of existing and planned streets and parks. The interest rate on the debt ranges from 2.00 to 3.625 percent. The bonds mature December 1, 2033. Annual debt service requirements as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	170,000	91,582	261,582
2023	175,000	86,482	261,482
2024	185,000	81,012	266,012
2025	190,000	75,000	265,000
2026	200,000	68,588	268,588
2027 - 2031	1,085,000	230,188	1,315,188
2032 - 2033	500,000	30,200	530,200
Total	<u>\$ 2,505,000</u>	<u>\$ 663,052</u>	<u>\$ 3,168,052</u>

Leases

In 2018, The Town entered into multiple lease-purchase agreements for vehicles and large equipment. During 2021, the lease-purchases were paid in full.

Water Enterprise Revenue Bonds

Water Enterprise Revenues Bonds, Series 2020, in the amount of \$45,955,000 were issued on July 28, 2020, to pay or reimburse the costs of construction of the St Vrain Water Treatment Plant, non-potable water project, retiring CWCB loan, and paying the costs of issuing the revenue bonds. The net revenues from charges for services and tap fee collections were pledged by the Town. The interest rate on the debt ranges from 2.00 to 5 percent. The bonds mature December 1, 2049. Net revenues, as defined in the bond document, serve to secure required annual bond payments.

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Annual debt service requirements as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	-	1,937,600	1,937,600
2023	915,000	1,937,600	2,852,600
2024	935,000	1,919,300	2,854,300
2025	985,000	1,872,550	2,857,550
2026	1,030,000	1,823,300	2,853,300
2027 - 2031	5,985,000	8,289,500	14,274,500
2032 - 2036	7,595,000	6,682,850	14,277,850
2037 - 2041	9,290,000	4,987,800	14,277,800
2042 - 2046	11,295,000	2,975,800	14,270,800
2047 - 2049	7,925,000	642,200	8,567,200
Total	<u>\$45,955,000</u>	<u>\$33,068,500</u>	<u>\$79,023,500</u>

NOTE 8 – FIRE AND POLICE PENSION ASSOCIATION (FPPA)

Plan Description

The Town contributes to the Statewide Defined Benefit Plan (SWDB), a cost-sharing multiple-employer defined benefit pension plan is administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries.

The Town participates in the Statewide Death & Disability Plan, a cost-sharing multiple-employer defined benefit death and disability plan. FPPA administers the plan. Plan benefits provide 24-hour coverage, both on- and off-duty and are available for members not eligible for normal retirement under a defined benefit plan, or members who have not met 25 years of accumulated service and age 55 under a money purchase plan. In case of an on-duty death, benefits may be payable to the surviving spouse or dependent children of active members who were eligible to retire, but were still working.

FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. The annual financial report can be obtained on FPPA’s website at <http://www.fppaco.org>.

Benefits Provided

A member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member’s combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

The annual normal retirement benefit is 2 percent of the average of the member’s highest three years’ pensionable earnings for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits adjustments paid to retired members are evaluated annually and may be re-determined every October

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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.

Contributions

Through December 31, 2021, contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members.

In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent and 8.5 percent in 2020 and 2021, respectively. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2021, members of the SWDB plan and their employers are contributing at the rate of 11 percent and 8.5 percent, respectively, of the pensionable earnings for a total contribution rate of 19.5 percent. Contributions to the SWDB plan and the Statewide Death & Disability Plan from the Town were \$217,643 and \$74,620, respectively, for the year ended December 31, 2021.

Actuarial Valuation Dates

The total net pension liability (asset) as of December 31, 2020 is based upon the January 1, 2021 actuarial valuation. The actuarially determined contributions as of December 31, 2020 are based upon the January 1, 2020 actuarial valuation.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At December 31, 2021, the Town reported an asset of \$671,289 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension asset used to calculate the net pension asset was determined by an actuarial valuation. The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating entities. At December 31, 2020, the Town's proportion was .3092066423 percent, which was a decrease of .0066307422 percent from its proportion measured as of December 31, 2019.

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For the year ended December 31, 2021, the Town recognized pension expense of \$154,132. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 569,319	\$ 2,670
Changes of Assumptions or other Inputs	285,509	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	689,510
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	23,809	97,967
Contributions Subsequent to the Measurement Date	217,643	-
Total	\$ 1,096,280	\$ 790,147

The \$217,643 reported as deferred outflows of resources related to pensions resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Amount
2022	\$ (87,166)
2023	2,268
2024	(113,734)
2025	3,493
2026	111,190
Thereafter	172,439
	\$ 88,490

Actuarial Assumptions

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

	Total Pension Liability	Actuarial Determined Contributions
Actuarial Valuation Date	January 01, 2021	January 01, 2020
Actuarial Method	Entry Age Normal	Entry Age Normal
Amortization Method	N/A	Level % of Payroll, Open
Amortization Period	N/A	30 Years
Long-term Investment Rate of Return*	7.0%	7.0%
Projected Salary Increases*	4.25-11.25%	4.25-11.25%
Cost of Living Adjustments (COLA)	0.0%	0.0%
*Includes Inflation at	2.5%	2.5%

For determining the total pension asset, 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 projected prospectively using the ultimate rates of the scale for all years. The

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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. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by FPPA's actuaries based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as the purchases of service credit and other benefits were actuarial factors are used.

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

<u>Asset Class</u>	Target <u>Allocation</u>	Long-Term Expected Real <u>Rate of Return</u>
Global Equity	39.00%	8.23%
Equity Long/Short	8.00%	6.87%
Private Markets	26.00%	10.63%
Fixed Income - Rates	10.00%	4.01%
Fixed Income - Credit	5.00%	5.25%
Absolute Return	10.00%	5.60%
Cash	2.00%	2.32%
Total	<u>100.00%</u>	

Discount Rate

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

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

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

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Proportionate Share of the Net Pension Liability (Asset)	\$ 675,547	\$ (671,289)	\$ (1,786,637)

Pension Plan Fiduciary Net Position

Detailed information about the SWDB’s fiduciary net position is available in the separately issued Fire & Police Pension Association of Colorado financial report, which can be obtained at <http://www.fppaco.org>.

NOTE 9 - FIRE AND POLICE PENSION ASSOCIATION (FPPA) – 457 PLAN

Plan Description

Employees of the Town who are members of the FPPA Statewide Defined Benefit Plan (see Note 8) may voluntarily contribute to the FPPA 457 Deferred Compensation Plan (457 Plan), an Internal Revenue Code Section 457 defined contribution plan administered by FPPA. Plan participation is voluntary, and contributions are separate from others made to FPPA. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the 457 Plan. That report may be obtained by writing to FPPA of Colorado, 5290 DTC Parkway, Suite 100, Englewood, Colorado 80111 or by calling FPPA at 303-770-3772 in the Denver Metro area, or 1-800-332-FPPA (3772) from outside the metro area.

Funding Policy

The 457 Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS (\$19,500 for 2021 and \$20,500 for 2022). Catch-up contributions up to \$6,500 for the calendar years 2021 and 2022 are allowed for participants who had attained age 50 before the close of the plan year. For the year ended December 31, 2021, 2020 and 2019, the 457 Plan member contributions from the Town of Firestone were \$24,314, \$20,693, and \$16,828, respectively.

NOTE 10 – PUBLIC EMPLOYEES’ RETIREMENT ASSOCIATION (PERA)

The Town participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees’ Retirement Association of Colorado (“PERA”). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: *Concerning Modifications to the Public Employees’ Retirement Association Hybrid Defined Benefit Plan*

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Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions. Some, but not all, of these changes were in effect as of December 31, 2021.

Plan Description

Eligible employees of the Town of Firestone are provided with pensions through the Local Government Division Trust Fund (LGDTF)—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at C.R.S. § 24-51-602, 604, 1713, and 1714.

The lifetime retirement benefit for all eligible retiring employees under the PERA benefit structure is the greater of the:

- Highest average salary multiplied by 2.5 percent and then multiplied by years of service credit
- The value of the retiring employee's member contribution account plus a 100 percent match on eligible amounts as of the retirement date. This amount is then annuitized into a monthly benefit based on life expectancy and other actuarial factors.

In all cases the service retirement benefit is limited to 100 percent of highest average salary and also cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

Members may elect to withdraw their member contribution accounts upon termination of employment with all PERA employers; waiving rights to any lifetime retirement benefits earned. If eligible, the member may receive a match of either 50 percent or 100 percent on eligible amounts depending on when contributions were remitted to PERA, the date employment was terminated, whether 5 years of service credit has been obtained and the benefit structure under which contributions were made.

As of December 31, 2020, benefit recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S., once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients under the PERA benefit structure who began eligible employment before January 1, 2007 will receive an annual increase of 1.25 percent unless adjusted by the automatic adjustment provision (AAP) pursuant to C.R.S. § 24-51-413. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007 will receive the lessor of an annual increase of 1.5 percent or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10 percent of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or

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lower the aforementioned annual increase by up to 0.25 percent based on the parameters specified C.R.S. § 24-51-413.

Disability benefits are available for eligible employees once they reach five years of earned service credit and are determined to meet the definition of disability. The disability benefit amount is based on the lifetime retirement benefit formula(s) shown above considering a minimum 20 years of service credit, if deemed disabled.

Survivor benefits are determined by several factors, which include the amount of earned service credit, highest average salary of the deceased, the benefit structure(s) under which service credit was obtained, and the qualified survivor(s) who will receive the benefits.

Contributions

Eligible employees and the Town of Firestone are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employees are required to contribute 8.5 percent of their PERA-includable salary during the period of January 1, 2021 through December 31, 2021. The employer contribution requirements during the period of January 1, 2020 are summarized in the table below:

	January 1, 2020 Through June 30, 2020	July 1, 2020 Through December 31, 2020	January 1, 2021 Through December 31, 2021
Employer Contribution Rate ¹	10.00 %	10.50 %	10.50 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%	(1.02)%
Amount Apportioned to the LGDTF ¹	8.98 %	9.48 %	9.48 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 ¹	2.20 %	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 ¹	1.50 %	1.50 %	1.50 %
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	N/A	N/A	0.02 %
Total Employer Contribution Rate to the LGDTF¹	12.68 %	13.18 %	13.20 %

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the Town is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the Town were \$638,335 for the year ended December 31, 2021.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2021, the Town reported a liability of \$3,231,086 for its proportionate share of the net pension liability. The net pension liability for the LGDTF was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total

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pension liability to December 31, 2020. The Town's proportion of the net pension liability was based on the Town's contributions to the LGDTF for the calendar year 2020 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2020, the Town's proportion was .6200189089 percent, which was an increase of .0925633870 percent from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Town recognized pension expense of \$250,953. 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	\$ 156,220	\$ -
Changes of Assumptions or other Inputs	780,827	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		3,494,242
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	640,661	-
Contributions Subsequent to the Measurement Date	638,335	-
Total	\$ 2,216,043	\$ 3,494,242

\$638,355 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date but before the end of the Town's reporting period, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended Dec 31,</u>	<u>Amount</u>
2022	144,629
2023	(325,209)
2024	(1,184,484)
2025	(551,470)
Thereafter	-
	<u>\$ (1,916,534)</u>

Actuarial Assumptions

The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 - 10.45%
Long-Term Investment Rate of Return, Net of Pension Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Future Post Retirement Benefit Increases:	
PERA Benefit Structure Hired Prior to January 1, 2007	1.25%
PERA Benefit Structure hired after December 31, 2006	Financed by the Annual Increase Reserve (AIR)

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Healthy mortality assumptions for active members reflect the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions reflect the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

The actuarial assumptions used in the December 31, 2019, valuations were based on the results of the 2016 experience analysis for the periods January 1, 2012, through December 31, 2015, as well as, the October 28, 2016, actuarial assumptions workshop and were adopted by the PERA Board during the November 18, 2016, Board meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in presentations to PERA's Board on October 28, 2016.

Several factors were considered in evaluating the long-term rate of return assumption for the LGDTF, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>30-Year Expected Geometric Real Rate of Return</u>
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives ¹	6.00%	4.70%
Total	100.00%	

¹ The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

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In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

Discount Rate

The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increase in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103 percent, at which point, the AED and SAED will each drop 0.50 percent every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, LGDTF's fiduciary net position was projected to be available to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

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Sensitivity of the Town’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate:

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate Share of the Net Pension Liability	\$ 7,443,135	\$ 3,231,086	\$ (285,426)

Pension Plan Fiduciary Net Position

Detailed information about the LGDTF’s fiduciary net position is available in PERA’s Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 11 - PUBLIC EMPLOYEES’ RETIREMENT ASSOCIATION (PERA) – 401(k) PLAN & 457 PLAN

Plan Description

Employees of the Town that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan or an Internal Revenue Code Section 457 defined contribution plan. Both are administered by PERA. Title 24, Article 51, Part 14 of the C.R.S., as amended, assigns the authority to establish the Plan provisions to the PERA Board of Trustees. PERA’s Annual Report includes additional information on the Voluntary Investment Program. That report can be obtained at www.copera.org/investments/pera-financial-reports.

Funding Policy for 401(k) Plan

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2021, program members contributed \$4,278.

Funding Policy for 457 Plan

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the C.R.S., as amended. Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2021, program members contributed \$13,420.

NOTE 12 – INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION (ICMA) – 401(A) PLAN & 457 PLAN

Plan Description

Employees of the Town may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(a) defined contribution plan or an Internal Revenue Code Section 457

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defined contribution plan. Both of these plans are administered by ICMA. The ICMA issues an annual report that can be obtained at <https://icma.org/annual-reports>.

Funding Policy for 401(a) Plan

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Section 401(a). Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2021, program members contributed \$3,250.

Funding Policy for 457 Plan

The Voluntary Investment Program is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Section 457(b). Employees are immediately vested in their own contributions and investment earnings. For the year ended December 31, 2021, program members contributed \$16,323.

The Town is contractually obligated to contribute to both ICMA 401(a) and 457. All of the Town's contributions will be vested in accordance with the Town's vesting schedule. For the year ended December 31, 2021, the Town made the required contributions of \$6,500 and \$19,000 to ICMA 401(a) and 457, respectively.

NOTE 13 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The Town of Firestone participates in the Health Care Trust Fund (HCTF), a cost-sharing multiple-employer defined benefit OPEB plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, OPEB expense, information about the fiduciary net position (FNP) and additions to/deduction from the FNP of the HCTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. Investment are reported at fair value.

Plan Description

Eligible employees of the Town are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. PERA issues a publicly available comprehensive annual financial report (CAFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the

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benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare.

Enrollment in PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

PERA Benefit Structure

The maximum service-based premium subsidy is \$230 per month for benefit recipients who are under 65 years of age and who are not entitled to Medicare; the maximum service-based subsidy is \$115 per month for benefit recipients who are 65 years of age or older or who are under 65 years of age and entitled to Medicare. The basis for the maximum service-based subsidy, in each case, is for benefit recipients with retirement benefits based on 20 or more years of service credit. There is a 5 percent reduction in the subsidy for each year less than 20. The benefit recipient pays the remaining portion of the premium to the extent the subsidy does not cover the entire amount.

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit. Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

Contributions

Pursuant to Title 24, Article 51, Section 208(1) (f) of the C.R.S., as amended, certain contributions are apportioned to the HCTF. PERA-affiliated employers of the State, School, Local Government, and Judicial Divisions are required to contribute at a rate of 1.02 percent of PERA-includable salary into the HCTF.

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the Town of Firestone is statutorily committed to pay the contributions.

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Employer contributions recognized by the HCTF from the Town were \$49,298 for the year ended December 31, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2021, the Town reported a liability of \$443,700 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The Town's proportion of the net OPEB liability was based on the Town's contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF. At December 31, 2020, the Town's proportion was .0466942286 percent, which was an increase of .0068923405 from its proportion measured as of December 31, 2019.

For the year ended December 31, 2021, the Town recognized OPEB expense of \$10,580. At December 31, 2021, the Town reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between Expected and Actual Experience	\$ 1,178	\$ 97,547
Changes of Assumptions or other Inputs	3,315	27,207
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	-	18,130
Changes in Proportion and Differences between Contributions Recognized and Proportionate Share of Contributions	206,201	5,864
Contributions Subsequent to the Measurement Date	49,298	-
Total	<u>\$ 259,992</u>	<u>\$ 148,748</u>

\$49,298 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date but before the end of the Town's reporting period, will be recognized as a reduction of the net OPEB liability in the subsequent fiscal period.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Year Ended Dec 31,</u>	<u>Amount</u>
2022	15,746
2023	18,283
2024	17,506
2025	5,576
2026	4,533
Thereafter	302
	<u>\$ 61,946</u>

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Actuarial assumptions

The total OPEB liability in the December 31, 2019 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial Cost Method	Entry Age
Price Inflation	2.40%
Real Wage Growth	1.10%
Wage Inflation	3.50%
Salary Increases, Including Wage Inflation	3.50 % in aggregate
Long-Term Investment Rate of Return, Net of OPEB Plan Investment Expenses, Including Price Inflation	7.25%
Discount rate	7.25%
Health Care Cost Trend Rates: PERA Benefit Structure:	
Service-based Premium Subsidy	0.00%
PERACare Medicare Plans	8.10% in 2020, gradually decreasing to 4.50% in 2029
Medicare Part A Premiums	3.50% in 2020, gradually increasing to 4.50% in 2029

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A, the following monthly costs/premiums are assumed for 2020 for the PERA Benefit Structure:

Medicare Plan	Initial Costs for Members without Medicare Part A		
	Monthly Cost	Monthly Premium	Monthly Cost Adjusted to Age 65
Medicare Advantage/Self-Insured Rx	\$ 588	\$ 227	\$ 550
Kaiser Permanente Medicare Advantage HMO	621	232	586

The 2020 Medicare Part A premium is \$458 (actual dollars) per month. In determining the additional liability for PERACare enrollees in the PERA Benefit Structure who are age 65 or older and who are not eligible for premium-free Medicare Part A, the following chart details the initial expected value of Medicare Part A benefits, age adjusted to age 65 for the year following the valuation date:

Medicare Plan	Cost for Members Without Medicare Part A
Medicare Advantage/Self-Insured Prescription	\$ 562
Kaiser Permanente Medicare Advantage HMO	571

All costs are subject to the health care cost trend rates, as discussed below.

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Health care cost trend rates reflect the change in per capita health costs over time due to factors such as medical inflation, utilization, plan design, and technology improvements. For the PERA benefit structure, health care cost trend rates are needed to project the future costs associated with providing benefits to those PERACare enrollees not eligible for premium-free Medicare Part A.

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and heuristics developed by health plan actuaries and administrators, and projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services. Effective December 31, 2019, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The PERA benefit structure health care cost trend rates that were used to measure the total OPEB liability are summarized in the table below:

Year	PERACare Medicare Plans	Medicare Part A Premiums
2021	6.40%	3.75%
2022	6.00%	3.75%
2023	5.70%	3.75%
2024	5.50%	4.00%
2025	5.30%	4.00%
2026	5.10%	4.00%
2027	4.90%	4.25%
2028	4.70%	4.25%
2029+	4.50%	4.50%

Mortality assumptions for the determination of the total pension liability for each of the Division Trust Funds as shown below are applied, as applicable, in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

Healthy mortality assumptions for active members were based on the RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriate margin of improved mortality prospectively, the mortality rates incorporate a 70 percent factor applied to male rates and a 55 percent factor applied to female rates.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

- **Males:** Mortality improvement projected to 2018 using the MP-2015 projection scale, a 73 percent factor applied to rates for ages less than 80, a 108 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.
- **Females:** Mortality improvement projected to 2020 using the MP-2015 projection scale, a 78 percent factor applied to rates for ages less than 80, a 109 percent factor applied to rates for ages 80 and above, and further adjustments for credibility.

For disabled retirees, the mortality assumption was based on 90 percent of the RP-2014 Disabled Retiree Mortality Table.

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The following health care costs assumptions were updated and used in the measurement of the obligations for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.
- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four or five years for PERA. Recently, this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020. As a result of the November 20, 2020, PERA Board meeting, the following economic assumptions were changed, effective December 31, 2020:

- Price inflation assumption decreased from 2.40 percent per year to 2.30 percent per year.
- Real rate of investment return assumption increased from 4.85 percent per year, net of investment expenses to 4.95 percent per year, net of investment expenses.
- Wage inflation assumption decreased from 3.50 percent per year to 3.00 percent per year.

Several factors were considered in evaluating the long-term rate of return assumption, including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) were developed for each major asset class. These ranges were combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation.

As of the most recent adoption of the long-term expected rate of return by the PERA Board, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	30-Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives ¹	8.50%	4.70%
Total	<u>100.00%</u>	

¹ The Opportunity Fund's name changed to Alternatives, effective January 1, 2020.

In setting the long-term expected rate of return, projections employed to model future returns provide a range of expected long-term returns that, including expected inflation, ultimately support a long-term expected rate of return assumption of 7.25 percent.

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Sensitivity of the Town’s proportionate share of the net OPEB liability to changes in the healthcare cost trend rates

The following presents the Town of Firestone’s net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare Trend Rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare Trend Rate	3.50%	4.50%	5.50%
Initial Medicare Part A Trend Rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A Trend Rate	3.50%	4.50%	5.50%
Proportionate Share of the Net OPEB Liability	\$432,232	\$443,700	\$457,051

Discount Rate

The discount rate used to measure the total OPEB liability was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

Based on the above assumptions and methods, the projection test indicates the HCTF’s fiduciary net position was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination does not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent.

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Sensitivity of the Town’s proportionate share of the net OPEB liability to changes in the discount rate

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	6.25%	7.25%	8.25%
Proportionate Share of the Net OPEB Liability	\$508,267	\$443,700	\$388,533

OPEB plan fiduciary net position

Detailed information about the HCTF’s fiduciary net position is available in PERA’s Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

NOTE 14 - COMMITMENTS AND CONTINGENCIES

Construction Commitments

At December 31, 2021, the Town had unexpended construction related contract commitments in the governmental funds of approximately \$660,578 and \$5,771,336 in the proprietary funds. These projects are expected to be completed in 2022.

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20 (the Taxpayer Bill of Rights, otherwise known as TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of state and local governments. The amendment is complex and subject to judicial interpretation. The Town believes it is in compliance with the requirements of the amendment. However, the Town has made certain interpretations of the amendment’s language in order to determine its compliance.

The Amendment also requires local governments to establish emergency reserves to be used for declared emergencies only. An emergency, as defined by the Amendment, excludes economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year spending (excluding bonded debt service). The Town has restricted \$456,605 for this purpose.

On April 2, 1996, the voting citizens of the Town of Firestone authorized the Town to collect retain, and expend the full proceeds of the Town’s sales and use tax, property tax revenues, non-federal grants, fees and other revenues collected and received during the year 1996 and each subsequent year, for capital projects, basic municipal services or other lawful municipal purposes, notwithstanding any state limitation on fiscal year revenue and spending, including without limitation the restrictions of Article X, Section 20 of the Colorado Constitution or any other law. This effectively removed all revenue and spending limits imposed by TABOR.

The Town believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of its provisions will require judicial interpretation.

**TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021**

Litigation

Management is not aware of any outstanding claims that could have a material adverse effect on the Town's financial statements.

Operating Leases

The Town leased vehicles under an operating lease that became effective June 1, 2020 with a 48 month lease term. The total expense for the year ended December 31, 2021 was \$ 175,167. The annual amount due each year for the following four years is \$175,225, \$175,225, \$138,533 and \$21,214, respectively.

NOTE 15 – FUND BALANCE CLASSIFICATION

In the fund financial statements, governmental funds report restrictions of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. As required by the State Constitution amendment addressed in Note 14, the Town is required to provide for Emergency Reserves.

The rationale of the fund balance classifications are as follows:

- Nonspendable
 - These are payments made to vendors for services that will benefit periods extending beyond the current fiscal year.
- Restricted
 - Emergencies – a portion restricted for emergencies as defined under TABOR (Note 14)
 - Conservation Trust – restricted under state statutes for future payments on maintenance and capital expenditures
 - Open Space – per legal restrictions on the use of lodging taxes collected
- Committed
 - Impact Fees – committed by Board of Trustees resolution for capital projects related to roadways, local parks, regional parks, municipal facilities, drainage, and raw water
 - FURA Improvements – committed by Board of Trustees resolution to mitigate blight in the Southern, Northern, Central or Bighorn Firestone Urban Renewal Authority boundaries
- Assigned
 - Working Reserve – Town Policy adopted by Resolution of the Board of Trustees to establish a working reserve of at least 25% of the current year General Fund operating expenditures
- Unassigned – any remaining fund balance that does not fall into one of the other categories. The General Fund should be the only fund that reports a positive unassigned fund balance.

The Town's policy is to apply expenditures against nonspendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of the fiscal year, in that order.

NOTE 16 - RISK MANAGEMENT

Since January 1, 2010, the Town has been a member of the Colorado Intergovernmental Risk Sharing Agency ("CIRSA") which provides sufficient liability and property coverage to protect against property damage to all the Town's capital assets and equipment. Other coverage includes general liability coverage as well as supplemental liability coverage for employee benefits, employment practices, law enforcement activities, vehicle and auto liability, crimes against the Town and a general umbrella liability

TOWN OF FIRESTONE, COLORADO
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2021

policy. In addition, the Town has secured additional coverage for Town events and volunteers. The Town maintains the state required worker's compensation insurance with Pinnacol Assurance, the primary provider of worker's compensation coverage in Colorado.

NOTE 17 - DEVELOPER AGREEMENTS AND TAX ABATEMENTS

The Town is involved in developer agreements to promote commercial growth within its boundaries. These agreements are structured so that future revenues are committed to meet development obligations, but only as the revenues are earned. If revenues are not earned from the sources outlined in the agreements, the Town of Firestone is not obligated to fund the expenditures from other sources. These agreements fall under Government Accounting Standard Board Statement No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues* for pledged revenues. The obligations to be repaid through these pledged revenues are summarized below:

American Furniture Warehouse (AFW) and THF/TFD Firestone Development, L.L.C.

An Amended and Restated Public Improvements Reimbursement Agreement (the "PIRA") between AFW and THF/TFD Firestone Development (the "Developers") was approved by the Town on July 31, 2006. The PIRA will finance the construction of certain public improvements in connection with the Town City Centre development, located at I-25 and Firestone Blvd. Under the PIRA, the Developers will receive 1.25 percent (the "Credit PIF") of the Town's 3.6 percent sales and use tax on the sale or provision of goods in the development. The amount of eligible cost that could be reimbursed to the Developers from Credit PIF Revenues is limited to \$11,000,000, plus interest accruing at the Wall Street Journal Prime Rate (3.25% at December 31, 2021), capped at 7 percent per annum. The Developers have 20 years (2026) to receive the maximum reimbursable amount.

THF Firestone Development, L.L.C.

A Retail Infrastructure Funding Agreement (the "RIFA") with THF Firestone Development (the "THF Developer") was approved by the Town on September 4, 2008. The RIFA supplements the PIRA and is intended to help finance the construction of additional public improvements in connection with the development of a portion of the retail area at I-25 and Firestone Boulevard. Under the RIFA, the THF Developer imposed a Retail Transaction Fee ("RTF") in the amount of 0.25 percent of the Town's 3.6 percent sales and use tax on the sale or provision of goods in the project area. The amount of eligible cost that could be reimbursed to the Developers from RTF Revenues is limited to \$4,000,000, plus interest accruing at the Wall Street Journal Prime Rate (3.25% at December 31, 2021), capped at 7 percent per annum. The Developers have 20 years (2029) to receive the maximum reimbursable amount.

NOTE 18 - SUBSEQUENT EVENTS

The Firestone Urban Renewal Authority – Central and Bighorn plan areas are performing studies and discussing the potential for issuing Tax Increment Revenue Bonds during the 2022 fiscal year. The value of the bonds is uncertain at this time.

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 9,430,155	\$ 9,810,155	\$ 10,504,538	\$ 694,383
Intergovernmental	1,126,965	1,126,965	1,094,106	(32,859)
Licenses, Fees and Charges	2,591,610	2,591,610	2,698,120	106,510
Fines	190,000	190,000	104,567	(85,433)
Grants	9,000	9,000	127,574	118,574
Investment Earnings/(Loss)	165,500	165,500	(11,816)	(177,316)
Miscellaneous	50,000	50,000	176,576	126,576
Total Revenues	<u>13,563,230</u>	<u>13,943,230</u>	<u>14,693,665</u>	<u>750,435</u>
EXPENDITURES				
Town Administration	5,118,980	5,498,980	5,186,581	312,399
Engineering	349,088	349,088	287,499	61,589
Planning	1,335,600	1,335,600	1,502,320	(166,720)
Public Safety	4,222,390	4,222,390	4,462,747	(240,357)
Public Works	2,386,228	2,386,228	2,389,145	(2,917)
Parks	1,657,381	1,657,381	1,391,866	265,515
Capital Outlay	345,804	345,804	284,591	61,213
Total Expenditures	<u>15,415,471</u>	<u>15,795,471</u>	<u>15,504,749</u>	<u>290,722</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,852,241)</u>	<u>(1,852,241)</u>	<u>(811,084)</u>	<u>1,041,157</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,230,000	2,230,000	2,230,000	-
Transfers Out	-	(411,023)	(411,023)	-
Total Other Financing Sources (Uses)	<u>2,230,000</u>	<u>1,818,977</u>	<u>1,818,977</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	<u>\$ 377,759</u>	<u>\$ (33,264)</u>	1,007,893	<u>\$ 1,041,157</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>9,186,403</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 10,194,296</u>	

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - BIGHORN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes - TIF	\$ 1,879,558	\$ 1,879,558	\$ 3,947,106	\$ 2,067,548
Investment Earnings	-	-	1,025	1,025
Total Revenues	<u>1,879,558</u>	<u>1,879,558</u>	<u>3,948,131</u>	<u>2,068,573</u>
EXPENDITURES				
General Government	47,240	2,202,740	2,161,506	41,234
Total Expenditures	<u>47,240</u>	<u>2,202,740</u>	<u>2,161,506</u>	<u>41,234</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>1,832,318</u>	<u>(323,182)</u>	<u>1,786,625</u>	<u>2,109,807</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,832,318</u>	<u>\$ (323,182)</u>	1,786,625	<u>\$ 2,109,807</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>(41,375)</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 1,745,250</u>	

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TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)

FPPA - STATEWIDE DEFINED BENEFIT PLAN

Last Ten Years

	2021	2020	2019	2018
Town's Proportion of the Net Pension Liability (Asset)	0.30921%	0.31584%	0.30161%	0.27030%
Town's Proportionate Share of the Net Pension Liability (Asset)	\$ (671,289)	\$ (178,626)	\$ 381,312	\$ (388,872)
Town's Covered Payroll	\$ 2,327,822	\$ 2,327,822	\$ 2,020,327	\$ 1,581,069
Town's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	-28.84%	-7.67%	18.87%	-24.60%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.90%	101.90%	95.20%	106.30%

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

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

2017	2016	2015	2014
0.27198%	0.23771%	0.25066%	0.25271%
\$ 98,278	\$ (4,191)	\$ (282,914)	\$ (316,152)
\$ 1,349,000	\$ 1,253,350	\$ 1,127,325	\$ 1,097,600
7.29%	-0.33%	-25.10%	-28.80%
98.21%	100.10%	106.80%	105.80%

TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY/(ASSET)

PERA - LOCAL GOVERNMENT DIVISION TRUST FUND
Last Ten Years

	2021	2020	2019	2018
Town's proportionate share of the net pension liability/(asset)	0.62002%	0.52746%	0.39639%	0.30200%
Town's proportion of the net pension liability/(asset)	\$ 3,231,086	\$ 3,857,762	\$ 4,983,456	\$ 3,362,833
Town's covered payroll	\$ 4,346,448	\$ 3,609,894	\$ 2,571,702	\$ 1,905,298
Town's proportionate share of the net pension liability/(asset) as a percentage of its covered payroll	74.34%	106.87%	193.78%	176.50%
Plan fiduciary net position as a percentage of the total pension	90.88%	86.26%	75.96%	79.37%

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

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

2017	2016	2015	2014
0.32290%	0.32673%	0.30410%	0.28906%
\$ 4,360,194	\$ 3,599,155	\$ 2,725,702	\$ 2,167,416
\$ 1,957,152	\$ 1,855,551	\$ 1,666,348	\$ 1,542,145
222.78%	193.97%	163.57%	140.55%
73.65%	76.87%	80.72%	77.66%

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**TOWN OF FIRESTONE
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY/(ASSET)**

**PERA - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
 Last Ten Years**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Town's proportionate share of the net OPEB liability/(asset)	0.04669%	0.03980%	0.03041%	0.02347%
Town's proportion of the net OPEB liability/(asset)	\$ 443,700	\$ 447,372	\$ 413,696	\$ 304,999
Town's covered payroll	\$ 4,346,448	\$ 3,609,894	\$ 2,571,702	\$ 1,905,298
Town's proportionate share of the net OPEB liability/(asset) as a percentage of its covered payroll	10.21%	12.39%	16.09%	16.01%
Plan fiduciary net position as a percentage of the total OPEB	24.49%	24.49%	17.03%	17.53%

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

This schedule is presented to show information for 10 years.
 Until information for the full 10-year period is available,
 information will be presented for the years it is available.

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

FPPA - STATEWIDE DEFINED BENEFIT PLAN

Last Ten Years

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Contractually Required Contribution	\$ 217,643	\$ 198,686	\$ 186,226	\$ 161,626
Contributions in Relation to the Contractually Required Contribution	<u>217,643</u>	<u>198,686</u>	<u>186,226</u>	<u>161,626</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Town's Covered Payroll	\$ 2,563,107	\$ 2,483,607	\$ 2,327,822	\$ 2,020,327
Contributions as a Percentage of Covered Payroll	8.5%	8%	8%	8%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
\$ 126,486	\$ 107,920	\$ 100,268	\$ 90,186	\$ 87,808
<u>126,486</u>	<u>107,920</u>	<u>100,268</u>	<u>90,186</u>	<u>87,808</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 1,581,069	\$ 1,349,000	\$ 1,253,350	\$ 1,127,325	\$ 1,097,600
8%	8%	8%	8%	8%

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

**PERA - LOCAL GOVERNMENT DIVISION TRUST FUND
Last Ten Years**

	2021	2020	2019	2018	2017
Statutorily required contributions	\$ 637,977	\$ 551,130	\$ 457,735	\$ 326,092	\$ 241,592
Contributions in relation to the statutorily required contribution	638,335	562,044	455,430	329,666	241,592
Contribution deficiency (excess)	\$ (359)	\$ (10,914)	\$ 2,304	\$ (3,574)	\$ -
Covered payroll	4,833,157	4,346,448	3,609,894	2,571,702	1,905,298
Contribution as a percentage of covered payroll	13.20%	12.68%	12.68%	12.68%	12.68%

This schedule is presented to show information for 10 years. Until information for the full 10-year period is available, information will be presented for the years it is available.

2016	2015	2014	2013
\$ 248,166	\$ 235,284	\$ 211,293	\$ 195,544
248,166	235,284	211,293	195,544
\$ -	\$ -	\$ -	\$ -
1,957,152	1,855,551	1,666,348	1,542,145
12.68%	12.68%	12.68%	12.68%

**TOWN OF FIRESTONE
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE TOWN'S CONTRIBUTIONS**

**PERA - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS
Last Ten Years**

	2021	2020	2019	2018
Statutorily required contributions	\$ 49,298	\$ 44,334	\$ 36,821	\$ 26,231
Contributions in relation to the statutorily required contribution	49,298	44,334	36,821	26,231
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered payroll	4,833,157	4,346,448	3,609,894	2,571,702
Contribution as a percentage of covered payroll	1.02%	1.02%	1.02%	1.02%

This schedule is presented to show information for 10 years.
Until information for the full 10-year period is available,
information will be presented for the years it is available.

**TOWN OF FIRESTONE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

NOTE 1. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The Board of Trustees annually adopts the Budget Resolution for all operating funds of the City. Budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all funds, with the exception of the enterprise funds, which are budgeted on a non-GAAP basis of accounting. All annual appropriations lapse at fiscal year-end.

No later than October 15, the Town Manager submits to the Mayor and Trustees a proposed budget for the calendar year commencing the following January 1. The budget is prepared by fund, department, program, and activity, and includes information on the past year, current year estimates and requested appropriations and estimated revenues for the next calendar year. The Board of Trustees holds public hearings and may add to, subtract from or change appropriations except for expenditures required by law, debt service expenditures or for estimated cash deficits. No change to the budget shall increase the authorized expenditures to any amount greater than the total amount of available funds, which includes unreserved fund balance.

The Board of Trustees shall adopt the budget by resolution in accordance with the State Budget Law. Once adopted, the Board of Trustees may at any time, by ordinance, amend the budget. The individual boards of the Town's component units approve their respective annual budgets.

Expenditures may not legally exceed budgeted appropriations at the fund level. Funds are defined as the major operating units of the Town. Those funds are the General Fund, Capital Projects Fund, Debt Service Fund, Water Fund, and Stormwater Fund.

NOTE 2. CHANGE IN CONTRIBUTIONS FOR PENSIONS – FIRE AND POLICE PENSION ASSOCIATION (FPPA)

In 2014, the members elected to increase the member contribution rate to the Statewide Defined Benefit (SWDB) plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of pensionable earnings. Employer contributions are 8 percent and 8.5 percent in 2020 and 2021, respectively. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13 percent of pensionable earnings. In 2021, members of the SWDB plan and their employers are contributing at the rate of 11 percent and 8 percent, respectively, of pensionable earnings for a total contribution rate of 19 percent.

For additional information, see note 8 on page 44 of the Notes section.

NOTE 3. CHANGE IN CONTRIBUTIONS FOR PENSIONS – PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION (PERA)

Eligible employees and the Town of Firestone are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employees are required to contribute 8.5 percent of their PERA-includable salary during the period of January 1, 2021 through December 31, 2021.

**TOWN OF FIRESTONE
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2021**

The employer contribution requirements for all employees are summarized in the table below:

	January 1, 2020 Through June 30, 2020	July 1, 2020 Through December 31, 2020	January 1, 2021 Through December 31, 2021
Employer Contribution Rate ¹	10.00 %	10.50 %	10.50 %
Amount of Employer Contribution Apportioned to the health Care Trust Fund as Specified in C.R.S. § 24-51-208(1)(f) ¹	(1.02)%	(1.02)%	(1.02)%
Amount Apportioned to the LGDTF ¹	8.98 %	9.48 %	9.48 %
Amortization Equalization Disbursement (AED) as Specified in C.R.S. § 24-51-411 ¹	2.20 %	2.20 %	2.20 %
Supplemental Amortization Equalization Disbursement (SAED) as Specified in C.R.S. § 24-51-411 ¹	1.50 %	1.50 %	1.50 %
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	N/A	N/A	0.02 %
Total Employer Contribution Rate to the LGDTF¹	12.68 %	13.18 %	13.20 %

Contribution Rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

For additional information, see Note 10 on page 48 of the Notes section.

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 3,674,503	\$ 3,674,503	\$ 4,312,037	\$ 637,534
Licenses, Fees and Charges	2,293,499	2,293,499	1,912,397	(381,102)
Grants	900,000	900,000	2,723,438	1,823,438
Investment Earnings/(Loss)	69,000	69,000	(17,610)	(86,610)
Total Revenues	<u>6,937,002</u>	<u>6,937,002</u>	<u>8,930,262</u>	<u>1,993,260</u>
EXPENDITURES				
General Government	-	-	343,441	(343,441)
Capital Outlay	9,983,500	9,983,500	9,422,166	561,334
Total Expenditures	<u>9,983,500</u>	<u>9,983,500</u>	<u>9,765,607</u>	<u>217,893</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,046,498)</u>	<u>(3,046,498)</u>	<u>(835,345)</u>	<u>2,211,153</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	500,000	500,000	-	(500,000)
Transfers Out	(4,564,455)	(4,564,455)	(4,557,216)	7,239
Total Other Financing Sources (Uses)	<u>(4,064,455)</u>	<u>(4,064,455)</u>	<u>(4,557,216)</u>	<u>(492,761)</u>
NET CHANGE IN FUND BALANCE	<u>\$ (7,110,953)</u>	<u>\$ (7,110,953)</u>	(5,392,561)	<u>\$ 1,718,392</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>17,275,850</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 11,883,289</u>	

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Investment Earnings	\$ -	\$ -	\$ 484	\$ 484
Total Revenues	<u>-</u>	<u>-</u>	<u>484</u>	<u>484</u>
EXPENDITURES				
Principal Payments	1,430,000	1,430,000	1,430,000	-
Interest Expenditures	904,455	904,455	891,470	12,985
Administrative Fees	5,500	5,500	7,388	(1,888)
Total Expenditures	<u>2,339,955</u>	<u>2,339,955</u>	<u>2,328,858</u>	<u>11,097</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,339,955)</u>	<u>(2,339,955)</u>	<u>(2,328,374)</u>	<u>11,581</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	2,334,455	2,334,455	2,327,216	(7,239)
Transfers Out	(500,000)	(500,000)	-	500,000
Total Other Financing Sources (Uses)	<u>1,834,455</u>	<u>1,834,455</u>	<u>2,327,216</u>	<u>492,761</u>
NET CHANGE IN FUND BALANCE	<u>\$ (505,500)</u>	<u>\$ (505,500)</u>	(1,158)	<u>\$ 504,342</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>1,003,493</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 1,002,335</u>	

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
December 31, 2021**

	Conservation Trust	Firestone Urban Renewal Authority - Northern	Firestone Urban Renewal Authority - Central	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 117,277	\$ 844,262	\$ 408,881	\$ 1,370,420
Receivables	16	-	-	16
Prepaid Items	-	2,777	2,250	5,027
Total Assets	<u>117,293</u>	<u>847,039</u>	<u>411,131</u>	<u>1,375,463</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	16,591	4,694	-	21,285
Other Liabilities	-	47,685	2,359	50,044
Total Liabilities	<u>16,591</u>	<u>52,379</u>	<u>2,359</u>	<u>71,329</u>
FUND BALANCES				
Nonspendable	-	2,777	2,250	5,027
Conservation Trust	100,702	-	-	100,702
Restricted Parks	-	250,000	-	250,000
Committed for:				
FURA Improvements	-	541,883	406,522	948,405
Total Fund Balances	<u>100,702</u>	<u>794,660</u>	<u>408,772</u>	<u>1,304,134</u>
Total Liabilities and Fund Balances	<u>\$ 117,293</u>	<u>\$ 847,039</u>	<u>\$ 411,131</u>	<u>\$ 1,375,463</u>

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
Year Ended December 31, 2021

	Conservation Trust	Firestone Urban Renewal Authority - Northern	Firestone Urban Renewal Authority - Central	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ -	\$ 1,820,835	\$ 1,475,587	\$ 3,296,422
Intergovernmental	94,972	-	-	94,972
Investment Earnings	153	1,696	448	2,297
Total Revenues	<u>95,125</u>	<u>1,822,531</u>	<u>1,476,035</u>	<u>3,393,691</u>
EXPENDITURES				
General Government	-	2,418,905	1,191,255	3,610,160
Capital Outlay	405,446	-	-	405,446
Total Expenditures	<u>405,446</u>	<u>2,418,905</u>	<u>1,191,255</u>	<u>4,015,606</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(310,321)</u>	<u>(596,374)</u>	<u>284,780</u>	<u>(621,915)</u>
OTHER FINANCING SOURCES				
Transfers In	411,023	-	-	411,023
Total Other Financing Sources	<u>411,023</u>	<u>-</u>	<u>-</u>	<u>411,023</u>
NET CHANGE IN FUND BALANCES	100,702	(596,374)	284,780	(210,892)
FUND BALANCES - BEGINNING OF YEAR	<u>-</u>	<u>1,391,034</u>	<u>123,992</u>	<u>1,515,026</u>
FUND BALANCES - END OF YEAR	<u>\$ 100,702</u>	<u>\$ 794,660</u>	<u>\$ 408,772</u>	<u>\$ 1,304,134</u>

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Intergovernmental	\$ 90,000	\$ 90,000	\$ 94,972	\$ 4,972
Investment Earnings	-	-	153	153
Total Revenues	<u>90,000</u>	<u>90,000</u>	<u>95,125</u>	<u>5,125</u>
EXPENDITURES				
Capital Outlay	442,750	442,750	405,446	37,304
Total Expenditures	<u>442,750</u>	<u>442,750</u>	<u>405,446</u>	<u>37,304</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(352,750)</u>	<u>(352,750)</u>	<u>(310,321)</u>	<u>42,429</u>
OTHER FINANCING SOURCES				
Transfers In	-	-	411,023	411,023
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>411,023</u>	<u>411,023</u>
NET CHANGE IN FUND BALANCE	<u>\$ (352,750)</u>	<u>\$ (352,750)</u>	100,702	<u>\$ 453,452</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>-</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 100,702</u>	

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - NORTHERN
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes - TIF	\$ 2,233,322	\$ 2,233,322	\$ 1,820,835	\$ (412,487)
Investment Earnings	15,000	15,000	1,696	(13,304)
Total Revenues	<u>2,248,322</u>	<u>2,248,322</u>	<u>1,822,531</u>	<u>(425,791)</u>
EXPENDITURES				
General Government	3,238,788	3,238,788	2,418,905	819,883
Total Expenditures	<u>3,238,788</u>	<u>3,238,788</u>	<u>2,418,905</u>	<u>819,883</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(990,466)</u>	<u>(990,466)</u>	<u>(596,374)</u>	<u>394,092</u>
NET CHANGE IN FUND BALANCE	<u>\$ (990,466)</u>	<u>\$ (990,466)</u>	<u>(596,374)</u>	<u>\$ 394,092</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>1,391,034</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 794,660</u>	

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
FIRESTONE URBAN RENEWAL AUTHORITY - CENTRAL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Property Taxes - TIF	\$ 1,558,936	\$ 1,558,936	\$ 1,475,587	\$ (83,349)
Investment Earnings	3,000	3,000	448	(2,552)
Total Revenues	<u>1,561,936</u>	<u>1,561,936</u>	<u>1,476,035</u>	<u>(85,901)</u>
EXPENDITURES				
General Government	1,327,365	1,327,365	1,191,255	136,110
Total Expenditures	<u>1,327,365</u>	<u>1,327,365</u>	<u>1,191,255</u>	<u>136,110</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>234,571</u>	<u>234,571</u>	<u>284,780</u>	<u>50,209</u>
NET CHANGE IN FUND BALANCE	<u>\$ 234,571</u>	<u>\$ 234,571</u>	284,780	<u>\$ 50,209</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>123,992</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 408,772</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
WATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 6,667,644	\$ 6,667,644	\$ 7,596,363	\$ 928,719
Licenses and Fees	325,963	325,963	209,445	(116,518)
Intergovernmental	10,000	10,000	12,951	2,951
Total Operating Revenues	<u>7,003,607</u>	<u>7,003,607</u>	<u>7,818,759</u>	<u>815,152</u>
OPERATING EXPENSES				
Operations	1,048,042	1,048,042	1,157,188	(109,146)
Administration	628,613	628,613	488,821	139,792
Resources	1,272,214	1,272,214	1,125,662	146,552
Water Treatment and Tap Fees	2,720,000	2,720,000	2,455,388	264,612
Capital Outlay	36,050,180	36,050,180	28,480,346	7,569,834
Total Operating Expenses	<u>41,719,049</u>	<u>41,719,049</u>	<u>33,707,405</u>	<u>8,011,644</u>
OPERATING INCOME (LOSS)	<u>(34,715,442)</u>	<u>(34,715,442)</u>	<u>(25,888,646)</u>	<u>8,826,796</u>
NONOPERATING REVENUES (EXPENSES)				
Investment Earnings	145,400	145,400	16,164	(129,236)
Interest Expense	<u>(1,937,600)</u>	<u>(1,937,600)</u>	<u>(1,415,207)</u>	<u>522,393</u>
Total Nonoperating Revenues (Expenses)	<u>(1,792,200)</u>	<u>(1,792,200)</u>	<u>(1,399,043)</u>	<u>393,157</u>
Change in Net Position - Budget Basis	<u>\$ (36,507,642)</u>	<u>\$ (36,507,642)</u>	(27,287,689)	<u>\$ 9,219,953</u>
RECONCILIATION TO GAAP BASIS:				
Change in Pension Liability			(188,305)	
Change in OPEB Liability			4,027	
Capital Outlay			28,480,346	
Depreciation			(510,524)	
(Loss) on Disposal of Assets			<u>(5,917)</u>	
Change in Net Position - GAAP Basis			491,938	
TOTAL NET POSITION - BEGINNING			<u>87,517,075</u>	
TOTAL NET POSITION - ENDING			<u>\$ 88,009,013</u>	

TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
STORMWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
Year Ended December 31, 2021

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
OPERATING REVENUES				
Charges for Services	\$ 646,369	\$ 646,369	\$ 651,010	\$ 4,641
Licenses and Fees	242,015	242,015	173,555	(68,460)
Total Operating Revenues	<u>888,384</u>	<u>888,384</u>	<u>824,565</u>	<u>(63,819)</u>
OPERATING EXPENSES				
Operations	431,768	431,768	340,690	91,078
Administration	260,333	260,333	221,957	38,376
Capital Outlay	990,500	990,500	448,585	541,915
Total Operating Expenses	<u>1,682,601</u>	<u>1,682,601</u>	<u>1,011,232</u>	<u>671,369</u>
OPERATING INCOME (LOSS)	<u>(794,217)</u>	<u>(794,217)</u>	<u>(186,667)</u>	<u>607,550</u>
NONOPERATING REVENUES				
Investment Earnings/(Loss)	20,000	20,000	(3,207)	(23,207)
Total Nonoperating Revenues	<u>20,000</u>	<u>20,000</u>	<u>(3,207)</u>	<u>(23,207)</u>
Change in Net Position - Budget Basis	<u>\$ (774,217)</u>	<u>\$ (774,217)</u>	(189,874)	<u>\$ 584,343</u>
RECONCILIATION TO GAAP BASIS:				
Capital Contributions			655,365	
Change in Pension Liability			(88,213)	
Change in OPEB Liability			(16,305)	
Capital Outlay			448,585	
Depreciation			(211,164)	
Change in Net Position - GAAP Basis			<u>598,394</u>	
TOTAL NET POSITION - BEGINNING			<u>9,306,395</u>	
TOTAL NET POSITION - ENDING			<u>\$ 9,904,789</u>	

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF NET POSITION
NON-MAJOR PROPRIETARY FUND
December 31, 2021**

	<u>St Vrain Water Authority</u>
CURRENT ASSETS	
Cash and Investments	\$ 278,782
Total Current Assets	<u>278,782</u>
 CURRENT LIABILITIES	
Accounts Payable	<u>223,210</u>
Total Current Liabilities	<u>223,210</u>
 NET POSITION	
Unrestricted	<u>55,572</u>
Total Net Position	<u>\$ 55,572</u>

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
NON-MAJOR PROPRIETARY FUND
Year Ended December 31, 2021**

	<u>St Vrain Water Authority</u>
OPERATING REVENUES	
Charges for Services	\$ 287,361
Total Operating Revenues	<u>287,361</u>
OPERATING EXPENSES	
Administration	<u>240,220</u>
Total Operating Expenses	<u>240,220</u>
OPERATING INCOME (LOSS)	<u>47,141</u>
CHANGE IN NET POSITION	47,141
NET POSITION - BEGINNING OF YEAR	<u>8,431</u>
NET POSITION - END OF YEAR	<u><u>\$ 55,572</u></u>

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR PROPRIETARY FUNDS
Year Ended December 31, 2021**

	Business-Type Activities
	St Vrain Water Authority
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers	\$ 297,361
Cash Paid to Suppliers	(18,642)
Net Cash Provided by Operating Activities	278,719
Net Increase in Cash and Cash Equivalents	278,719
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	63
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 278,782
RECONCILIATION OF OPERATING INCOME TO NET CASH FROM OPERATING ACTIVITIES	
Operating Income	\$ 47,141
Adjustments to Reconcile Operating Income to Net Cash Flows from Operating Activities	
(Increase) Decrease in Accounts Receivable	10,000
Increase (Decrease) in Accounts Payable	221,578
NET CASH FLOWS FROM OPERATING ACTIVITIES	\$ 278,719

**TOWN OF FIRESTONE
OTHER SUPPLEMENTARY INFORMATION
ST VRAIN WATER AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL (NON GAAP BUDGETARY BASIS)
Year Ended December 31, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Charges for Services	\$ 287,361	\$ 287,361	\$ 287,361	\$ -
Intergovernmental	26,400	26,400	-	(26,400)
Total Revenues	<u>313,761</u>	<u>313,761</u>	<u>287,361</u>	<u>(26,400)</u>
EXPENDITURES				
General Government	196,770	262,700	240,220	22,480
Total Expenditures	<u>196,770</u>	<u>262,700</u>	<u>240,220</u>	<u>22,480</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>116,991</u>	<u>51,061</u>	<u>47,141</u>	<u>(3,920)</u>
NET CHANGE IN FUND BALANCE	<u>\$ 116,991</u>	<u>\$ 51,061</u>	47,141	<u>\$ (3,920)</u>
FUND BALANCE AT BEGINNING OF YEAR			<u>8,431</u>	
FUND BALANCE AT END OF YEAR			<u>\$ 55,572</u>	

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**TOWN OF FIRESTONE, COLORADO
STATISTICAL SECTION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2021**

This part of the Town of Firestone's Comprehensive Annual Financial Report presents detailed information spanning multiple years to provide a historical context for understanding, interpreting and analyzing the information presented in the financial statements, note disclosures, and supplementary information about the Town's overall financial condition.

The Statistical Section is organized as follows -

	<u>Pages</u>
<i>Financial Trends:</i>	
Information on the Town's financial performance and health over time.	96-105
<i>Revenue:</i>	
Information on the Town's ability to generate tax revenue over time.	107-116
<i>Debt Capacity:</i>	
Information on the Town's outstanding debt and that of overlapping governments.	117-125
<i>Demographics:</i>	
Information on demographic and economic measures that affect the Town and its provision of services to its constituents.	126-128
<i>Operating Information:</i>	
Information on the Town's operations, staffing and other data.	129-131

**Town of Firestone
Net Position by Component
Last Ten Years**

	2012	2013	2014	2015
Governmental Activities				
Net Investment in Capital Assets	\$ 28,453,663	\$ 27,884,672	\$ 25,318,630	\$ 29,781,019
Restricted	319,783	360,606	2,896,206	555,109
Unrestricted	5,216,289	5,368,759	7,080,617	10,668,886
Total Governmental Activities Net Position	33,989,735	33,614,037	35,295,453	41,005,014
Business-Type Activities				
Net Investment in Capital Assets	53,954,280	54,207,452	54,887,599	56,976,448
Restricted	-	-	-	-
Unrestricted	3,979,414	4,747,092	5,700,790	6,330,768
Total Business-Type Activities Net Position	57,933,694	58,954,544	60,588,389	63,307,216
Primary Government				
Net Investment in Capital Assets	82,407,943	82,092,124	80,206,229	86,757,467
Restricted	319,783	360,606	2,896,206	555,109
Unrestricted	9,195,703	10,115,851	12,781,407	16,999,654
Total Primary Government Net Position	\$ 91,923,429	\$ 92,568,581	\$ 95,883,842	\$ 104,312,230

Source: Town of Firestone Finance Department

	2016	2017	2018	2019	2020	2021
\$	35,226,064	\$ 34,650,364	\$ 28,109,970	\$ 41,257,735	\$ 40,994,563	\$ 44,752,972
	620,745	803,119	13,864,260	10,522,696	13,582,233	8,763,677
	12,805,734	13,822,992	11,968,347	7,855,505	2,567,164	9,729,837
	48,652,543	49,276,475	53,942,577	59,635,936	57,143,960	63,246,486
	61,740,243	64,408,047	80,031,398	78,690,632	91,857,202	89,787,113
	-	-	-	-	-	-
	7,468,575	7,945,531	9,309,495	14,462,030	4,966,268	8,182,261
	69,208,818	72,353,578	89,340,893	93,152,662	96,823,470	97,969,374
	96,966,307	99,058,411	108,141,368	119,948,367	132,851,765	134,540,085
	620,745	803,119	13,864,260	10,522,696	13,582,233	8,763,677
	20,274,309	21,768,523	21,277,842	22,317,535	7,533,432	17,912,098
\$	117,861,361	\$ 121,630,053	\$ 143,283,470	\$ 152,788,598	\$ 153,967,430	\$ 161,215,860

Town of Firestone
Changes in Net Position
Last Ten Years

	2012	2013	2014	2015
Expenses				
Governmental Activities:				
General Government	\$ 1,322,245	\$ 1,835,993	\$ 2,156,089	\$ 2,207,436
Public Safety	2,266,759	2,272,091	2,436,446	2,671,801
Public Works	2,445,606	2,554,525	2,974,941	3,248,015
Health & Welfare	96,785	174,160	141,181	154,023
Economic Development	65,143	72,636	176,249	177,493
Parks	774,910	837,008	899,216	1,113,830
Interest on Long-Term Debt	70,203	58,494	205,068	156,411
Total Governmental Activities Expenses	7,041,651	7,804,907	8,989,190	9,729,009
Business-Type Activities:				
Water	2,125,436	2,079,861	2,311,358	2,473,529
Stormwater	29,637	63,537	82,369	167,672
St Vrain Water Authority	-	-	-	-
Total Business-Type Activities Expenses	2,155,073	2,143,398	2,393,727	2,641,201
Total Primary Government Activities Expenses	\$ 9,196,724	\$ 9,948,305	\$ 11,382,917	\$ 12,370,210
Program Revenues				
Governmental Activities:				
Charges for Services				
General Government	\$ 137,715	\$ 437,671	\$ 629,638	\$ 1,029,753
Public Safety	200,761	170,871	187,039	249,393
Public Works	897,921	1,055,226	1,750,915	3,368,729
Parks	115,434	-	-	-
Operating Grants and Contributions	-	238,962	397,245	1,276,205
General Government	-	51,500	-	-
Capital Grants and Contributions	-	105,660	462,805	1,479,388
Total Governmental Activities Program Revenues	1,351,831	2,059,890	3,427,642	7,403,468
Business-Type Activities:				
Charges for Services				
Water	2,751,268	2,452,756	2,726,634	3,208,033
Stormwater	113,757	114,700	118,585	278,433
St Vrain Water Authority	-	-	-	-
Operating Grants and Contributions	26,067	6,064	29,756	5,300
Capital Grants and Contributions	61,900	595,603	1,115,070	2,301,727
Total Business-Type Activities Program Revenues	2,952,992	3,169,123	3,990,045	5,793,493
Total Primary Government Program Revenues	\$ 4,304,823	\$ 5,229,013	\$ 7,417,687	\$ 13,196,961
Net (Expense) Revenue				
Governmental Activities	(5,689,820)	(5,745,017)	(5,561,548)	(2,325,541)
Business-Type Activities	797,919	1,025,725	1,596,318	3,152,292
Total Primary Government Net Expense	\$ (4,891,901)	\$ (4,719,292)	\$ (3,965,230)	\$ 826,751

	2016	2017	2018	2019	2020	2021
\$	2,348,047	\$ 5,513,764	\$ 6,569,854	\$ 7,346,775	\$ 9,933,121	\$ 13,578,564
	2,969,834	3,261,233	3,935,427	3,998,914	5,270,936	5,309,476
	3,090,882	4,880,477	4,125,894	4,333,351	4,906,755	4,886,034
	141,260	-	-	-	-	-
	43,704	-	-	-	-	-
	1,012,945	900,040	1,038,690	1,686,172	1,910,253	1,773,954
	159,656	145,887	553,631	769,762	784,951	835,897
	<u>9,766,328</u>	<u>14,701,401</u>	<u>16,223,496</u>	<u>18,134,974</u>	<u>22,806,016</u>	<u>26,383,925</u>
	2,744,992	4,017,740	3,881,323	4,491,369	6,331,037	7,342,985
	227,901	148,496	232,813	369,739	696,055	878,329
	-	-	-	-	-	240,220
	<u>2,972,893</u>	<u>4,166,236</u>	<u>4,114,136</u>	<u>4,861,108</u>	<u>7,027,092</u>	<u>8,461,534</u>
\$	<u>12,739,221</u>	<u>\$ 18,867,637</u>	<u>\$ 20,337,632</u>	<u>\$ 22,996,082</u>	<u>\$ 29,833,108</u>	<u>\$ 34,845,459</u>
\$	1,003,617	\$ 1,944,779	\$ 2,399,646	\$ 2,951,584	\$ 2,586,062	\$ 2,937,899
	242,676	215,919	245,411	167,956	110,028	106,552
	2,697,973	1,451,035	1,348,846	977,560	714,874	762,109
	-	557,611	1,481,911	978,632	611,001	649,767
	853,006	201,916	508,227	689,690	407,270	2,347,686
	-	-	-	-	-	-
	4,785,207	1,181,103	2,198,384	2,261,265	630,570	2,349,763
	<u>9,582,479</u>	<u>5,552,363</u>	<u>8,182,425</u>	<u>8,026,687</u>	<u>5,059,805</u>	<u>9,153,776</u>
	3,416,947	5,741,998	5,795,460	6,624,512	7,123,839	7,805,808
	449,677	503,901	562,356	831,519	790,534	824,565
	-	-	-	-	-	287,361
	1,074	22,616	10,342	67,297	24,870	12,951
	3,228,775	400,981	13,936,292	900,824	607,315	655,365
	<u>7,096,473</u>	<u>6,669,496</u>	<u>20,304,450</u>	<u>8,424,152</u>	<u>8,546,558</u>	<u>9,586,050</u>
\$	<u>16,678,952</u>	<u>\$ 12,221,859</u>	<u>\$ 28,486,875</u>	<u>\$ 16,450,839</u>	<u>\$ 13,606,363</u>	<u>\$ 18,739,826</u>
	(183,849)	(9,149,038)	(8,041,071)	(10,108,287)	(17,746,211)	(17,230,149)
	4,123,580	2,503,260	16,190,314	3,563,044	1,519,466	1,124,516
\$	<u>3,939,731</u>	<u>\$ (6,645,778)</u>	<u>\$ 8,149,243</u>	<u>\$ (6,545,243)</u>	<u>\$ (16,226,745)</u>	<u>\$ (16,105,633)</u>

Town of Firestone
Changes in Net Position (continued)
Last Ten Years

General Revenues and Other Changes in Net Position

Governmental Activities:

	2012	2013	2014	2015
Taxes				
Property Taxes - General	\$ 824,637	\$ 892,840	\$ 918,746	\$ 990,689
Property Taxes - Debt Service	74,090	79,607	-	-
Property Taxes - Urban Renewal	20,170	31,910	27,839	679,422
Specific Ownership Taxes	71,475	64,770	77,454	66,868
Sales & Use Taxes	2,683,817	2,973,413	4,692,078	5,448,691
Hwy Users, Road & Bridge, Motor Vehicle Taxes	469,955	485,282	507,865	545,634
Other Shared Taxes	-	-	-	-
Franchise Fees (1)	380,273	396,128	406,612	435,073
Interest Earnings	15,411	7,362	29,615	48,372
Other Miscellaneous	259,343	394,184	601,620	1,121,028
Gain on Sale of Capital Assets	-	-	-	-
Transfers	(28,871)	43,823	(18,865)	(94,741)
Total Governmental Activities	4,770,300	5,369,319	7,242,964	9,241,036
Business-Type Activities				
Investment Earnings	9,155	10,433	13,801	20,061
Other Miscellaneous	4,352	13,535	4,861	97,063
Transfers	28,871	(28,843)	18,865	94,741
Total Business-Type Activities	42,378	(4,875)	37,527	211,865
Total Primary Government	\$ 4,812,678	\$ 5,364,444	\$ 7,280,491	\$ 9,452,901
Changes in Net Position				
Governmental Activities	(919,520)	(375,698)	1,681,416	6,915,495
Business-Type Activities	840,297	1,020,850	1,633,845	3,364,157
Total Primary Government	\$ (79,223)	\$ 645,152	\$ 3,315,261	\$ 10,279,652

Source: Town of Firestone Finance Department

(1) Franchise Fees were previously included under General Revenues. Per GASB-S37, these should be under charge for service when not based on gross receipts. Therefore, they are now included in charge for service under the appropriate function.

	2016	2017	2018	2019	2020	2021
\$	1,158,501	\$ 1,415,101	\$ 1,455,589	\$ 1,439,646	\$ 1,702,409	\$ 5,433,457
	-	-	-	-	-	-
	472,096	890,758	1,455,337	1,681,342	2,461,018	3,296,422
	72,990	110,069	112,203	105,737	86,076	97,538
	6,072,395	6,093,407	8,122,999	10,166,807	11,106,914	13,116,296
	551,515	401,994	532,150	541,420	424,728	553,896
	-	493,796	563,148	748,438	683,855	571,018
	481,156	517,269	-	-	-	-
	75,918	116,195	518,530	640,060	248,512	(25,620)
	702,061	309,380	474,089	426,503	437,694	240,343
	-	-	-	51,693	70,132	57,756
	(1,755,254)	(575,000)	(250,000)	-	-	-
	7,831,378	9,772,969	12,984,045	15,801,646	17,221,338	23,341,106
	22,768	61,555	383,847	248,725	184,239	12,957
	-	4,945	188,214	-	-	-
	1,755,254	575,000	250,000	-	-	-
	1,778,022	641,500	822,061	248,725	184,239	12,957
\$	9,609,400	\$ 10,414,469	\$ 13,806,106	\$ 16,050,371	\$ 17,405,577	\$ 23,354,063
	7,647,529	623,931	4,942,975	5,693,359	(524,873)	6,110,957
	5,901,602	3,144,760	17,012,375	3,811,769	1,703,705	1,137,473
\$	13,549,131	\$ 3,768,691	\$ 21,955,350	\$ 9,505,128	\$ 1,178,832	\$ 7,248,430

Town of Firestone
Fund Balances of Governmental Funds
Last Ten Years

	2012	2013	2014	2015
General Fund				
Nonspendable	\$ 12,433	\$ 27,847	\$ 30,524	\$ 11,265
Restricted	174,175	207,290	294,883	419,510
Committed	-	-	-	-
Assigned	128,397	62,084	62,084	-
Unassigned	1,642,004	2,022,351	2,675,982	4,174,872
Total General Fund	\$ 1,957,009	\$ 2,319,572	\$ 3,063,473	\$ 4,605,647
All Other Governmental Funds				
Nonspendable	\$ 515	\$ -	\$ -	\$ -
Restricted	145,608	153,316	2,601,323	135,599
Committed	2,236,855	1,984,022	3,301,212	6,438,705
Assigned	1,310,650	1,402,256	1,158,717	1,407,111
Unassigned	-	-	-	-
Total of All Other Governmental Funds	\$ 3,693,628	\$ 3,539,594	\$ 7,061,252	\$ 7,981,415

Source: Town of Firestone Finance Department

	2016	2017	2018	2019	2020	2021
\$	9,928	\$ 63,850	\$ 116,814	\$ 120,797	\$ 45,940	\$ 125,672
	419,510	803,119	939,501	7,312,893	2,039,838	1,862,940
	-	7,166,423	6,429,983	8,221,410	-	-
	-	2,237,467	2,682,429	3,329,528	3,605,481	3,821,161
	6,024,085	5,881,921	4,869,230	3,795,451	3,495,144	4,384,523
\$	6,453,523	\$ 16,152,780	\$ 15,037,957	\$ 22,780,079	\$ 9,186,403	\$ 10,194,296
\$	1,318	\$ -	\$ -	\$ -	\$ -	\$ 5,527
	201,235	-	12,924,759	3,209,803	11,542,395	6,900,738
	6,586,504	1,074,337	1,057,094	1,457,191	8,260,405	9,028,744
	1,693,642	-	-	-	-	-
	-	(38,302)	(27,641)	-	(41,375)	-
\$	8,482,699	\$ 1,036,035	\$ 13,954,212	\$ 4,666,994	\$ 19,761,425	\$ 15,935,008

Town of Firestone
Changes in Fund Balances of Governmental Funds
Last Ten Years

	2012	2013	2014	2015
Revenues				
Taxes	\$ 5,287,922	\$ 6,066,305	\$ 8,691,142	\$ 11,854,063
Licenses, Fees and Charges	449,699	580,715	777,802	1,183,137
Intergovernmental	86,319	238,962	397,246	1,276,205
Fines	164,833	170,871	187,039	249,393
Grants	-	-	-	-
Investment Earnings	15,411	7,362	29,615	48,372
Miscellaneous	146,815	178,991	143,822	648,687
Total Revenues	6,150,999	7,243,206	10,226,666	15,259,857
Expenditures				
General Government	1,299,466	1,745,644	2,013,681	2,120,898
Public Safety	2,174,095	2,190,954	2,393,303	2,699,483
Public Works	687,029	725,448	1,138,594	1,168,995
Health & Welfare	96,785	174,160	141,181	154,023
Economic Development	65,143	72,636	176,249	177,493
Parks and Open Space	408,546	467,477	532,995	719,125
Capital Outlay	657,101	1,375,169	2,833,046	5,234,670
Debt Service				
Principal	69,827	250,424	344,939	264,848
Interest	419,743	61,608	131,175	163,244
Debt Issuance Costs	-	-	62,443	-
Total Expenditures	5,877,735	7,063,520	9,767,606	12,702,779
Excess of Revenues Over (Under) Expenditures	273,264	179,686	459,060	2,557,078
Other Financing Sources (Uses)				
Proceeds from Capital Lease	251,889	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Operating Transfers In	599,577	1,343,895	3,180,869	4,269,478
Operating Transfers Out	(628,448)	(1,315,052)	(3,199,734)	(4,364,219)
Proceeds from Debt Issuance	-	-	3,795,000	-
Premium on Issuance of Debt	-	-	30,364	-
Total Other Financing Sources (Uses)	223,018	28,843	3,806,499	(94,741)
Net Changes in Fund Balance	\$ 496,282	\$ 208,529	\$ 4,265,559	\$ 2,462,337
Debt Service as a percentage of Noncapital Expenditures	9.38%	5.49%	6.93%	5.73%

Source: Town of Firestone Finance Department

2016	2017	2018	2019	2020	2021
\$ 11,638,871	\$ 8,597,266	\$ 11,235,451	\$ 13,489,106	\$ 15,430,861	\$ 22,060,103
1,164,279	3,752,927	4,474,448	4,910,146	4,138,622	4,610,517
853,006	1,096,057	1,044,700	1,360,479	1,224,429	1,189,078
242,676	212,529	243,821	165,586	107,683	104,567
-	5,367	369,489	448,366	191,151	2,851,012
75,918	116,195	518,530	640,060	248,512	(25,620)
409,154	1,242,364	1,331,650	553,325	289,700	176,576
14,383,904	15,022,705	19,218,089	21,567,068	21,630,958	30,966,233
2,241,403	4,579,269	6,188,354	7,420,638	9,306,105	13,098,895
2,916,172	3,224,787	3,661,060	3,970,905	4,331,301	4,462,747
931,942	1,639,613	1,500,029	1,406,210	2,038,527	2,389,145
141,260	-	-	-	-	-
43,704	-	-	-	-	-
627,552	435,065	681,902	1,484,645	1,516,621	1,391,866
2,967,231	1,905,964	9,435,637	12,557,891	2,117,734	10,112,203
250,755	260,000	1,170,976	935,461	1,875,000	1,430,000
159,471	150,414	535,305	836,414	870,695	891,470
-	-	175,259	85,000	107,117	-
10,279,490	12,195,112	23,348,522	28,697,164	22,163,100	33,776,326
4,104,414	2,827,593	(4,130,433)	(7,130,096)	(532,142)	(2,810,093)
-	-	-	-	-	-
-	-	-	-	-	-
2,451,310	10,094,527	5,644,059	11,982,877	3,134,847	4,968,239
(4,206,564)	(10,669,527)	(5,894,059)	(11,982,877)	(3,134,847)	(4,968,239)
-	-	14,830,000	5,585,000	4,000,000	-
-	-	1,353,786	-	-	-
(1,755,254)	(575,000)	15,933,786	5,585,000	4,000,000	-
\$ 2,349,160	\$ 2,252,593	\$ 11,803,353	\$ (1,545,096)	\$ 3,467,858	\$ (2,810,093)
5.56%	3.94%	12.26%	10.98%	13.70%	9.81%

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**Town of Firestone
General Governmental Tax Revenues By Source
Last Ten Years**

Year	Property Tax	Specific Ownership Tax	Franchise Tax ⁽¹⁾	Sales & Use Tax	Severance Tax	Cigarette Tax	Other	Total
2012	\$ 918,897	\$ 71,475	\$ 380,273	\$ 2,683,817	\$ 163,361	\$ 15,683	\$ 290,911	\$ 4,524,417
2013	1,004,357	64,770	396,128	2,973,413	157,655	15,382	542,418	5,154,123
2014	946,639	77,454	406,612	4,692,078	325,426	16,192	623,990	7,088,392
2015	1,670,111	66,868	435,073	5,448,691	354,052	17,402	646,521	8,638,718
2016	1,630,597	72,990	481,156	6,072,395	178,086	18,236	648,099	9,101,560
2017	2,305,859	110,069	517,269	6,093,407	80,794	18,187	796,809	9,922,394
2018	2,910,926	112,203	-	8,122,999	137,952	22,894	934,452	12,241,426
2019	3,120,988	105,737	-	10,166,807	323,257	22,214	944,387	14,683,390
2020	4,163,427	86,076	-	11,106,914	235,352	34,190	839,041	16,465,000
2021	8,729,879	97,538	-	13,116,296	85,311	32,334	1,007,269	23,068,627

Source: Town of Firestone Finance Department

⁽¹⁾ In 2018, the Franchise Fees were documented differently to follow GASB Statement No. 37

Year	Taxable Revenue Sales Tax	% Change	Taxable Revenue Use Tax	% Change
2013	\$ 115,592,482	-	\$ 13,946,250	71.59%
2014	124,703,183	7.88%	22,125,050	58.65%
2015	135,100,169	8.34%	36,912,350	66.84%
2016	148,351,395	9.81%	39,452,175	6.88%
2017	156,684,562	5.62%	33,806,900	-14.31%
2018	196,750,193	25.57%	39,999,704	18.32%
2019	242,240,088	23.12%	55,621,667	39.06%
2020	276,328,806	14.07%	44,579,885	-19.85%
2021	320,585,639	16.02%	60,585,115	35.90%

The Sales and Use tax breakout is not readily available from the Town's records prior to 2013.

**Town of Firestone
Sales Tax Trends
Last Ten Years**

	2012	2013	2014	2015	2016
Motor Vehicle Taxes	\$ 465,971	\$ 482,771	\$ 576,613	\$ 751,155	\$ 926,406
Hotel/Motels	58,818	75,068	144,952	141,172	110,806
Restaurants	314,609	337,268	599,105	638,306	674,929
Retail - Grocery	242,623	269,046	400,796	433,788	468,049
Retail - Other	485,988	516,102	1,117,043	1,241,644	1,339,173
Bars/Liquor Stores	72,168	70,579	117,811	126,508	132,458
Other	38,958	42,593	100,965	99,141	121,590
Services	57,375	35,848	67,023	72,966	81,868
Banking and Financial	5,162	23,949	70,361	72,858	86,020
Utilities and Communications	321,785	357,889	529,765	568,173	736,228
Agriculture	-	-	-	-	-
Mining, Utilities and Construction	-	-	-	-	-
Wholesale, Retail, Transport and Warehouse	-	-	-	-	-
Information	-	-	-	-	-
Professional Services	-	-	-	-	-
Education, Health and Social Assistance	-	-	-	-	-
Accomodation and Food Services	-	-	-	-	-
Other Services	-	-	-	-	-
Developer Reimbursement Obligation ¹	459,034	483,325	525,090	564,623	605,824
TOTAL	\$ 2,522,492	\$ 2,694,438	\$ 4,249,525	\$ 4,710,334	\$ 5,283,351

¹ Pledged revenues from sales tax for PIRA and RIFA agreements (See Note 17)

In 2020, the Town used the NAICS code for the groupings as it was determined to provide more reliable data.

	2017	2018	2019	2020	2021
\$	776,835	\$ 1,103,314	\$ 1,199,261	\$ 1,279,147	\$ 1,279,147
	133,528	175,898	184,652	-	-
	774,683	989,526	1,131,681	-	-
	470,009	588,765	658,831	-	-
	1,526,329	2,252,453	2,574,875	-	-
	133,684	170,261	240,926	-	-
	120,886	138,859	187,631	-	-
	123,542	193,857	311,615	-	-
	102,249	108,368	55,069	-	-
	558,466	721,318	900,194	-	-
	-	-	-	2,426	-
	-	-	-	913,260	1,042,543
	-	-	-	4,960,314	5,514,976
	-	-	-	125,043	156,154
	-	-	-	245,106	300,432
	-	-	-	2,688	1,935
	-	-	-	1,227,777	1,493,146
	-	-	-	98,928	136,507
	673,326	769,331	890,561	994,920	123,780
	\$ 5,393,537	\$ 7,211,949	\$ 8,335,296	\$ 9,849,609	\$ 10,048,621

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

Year ¹	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Oil & Gas Property	Vacant Land
2012	\$ 57,283,090	\$ 34,718,800	\$ 3,627,570	\$ 466,950	\$ 39,194,150	\$ 6,309,850
2013	56,630,930	36,827,340	3,838,980	526,100	31,052,063	5,345,770
2014	58,161,240	37,162,960	3,862,400	589,250	40,321,950	5,013,430
2015	74,765,710	37,099,070	4,784,810	728,010	44,078,640	5,977,080
2016	81,440,220	38,234,500	5,168,420	956,120	74,448,970	4,770,570
2017	94,651,970	42,820,800	5,055,340	1,044,270	61,193,030	6,393,710
2018	99,929,150	44,280,990	4,467,370	1,024,170	71,906,320	4,833,110
2019	121,972,990	55,475,240	4,735,120	817,040	67,683,540	10,098,490
2020	129,654,860	60,530,070	5,087,100	783,970	51,769,760	9,135,080
2021	147,512,380	64,314,200	4,594,920	938,510	58,281,100	11,409,310

% of Assessed Valuation	50.1%	21.9%	1.6%	0.3%	19.8%	3.9%
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Source: Weld County Assessor's Office

¹ Taxes are levied on November 1 of the prior year based on the prior year's assessed valuation on January 1.

² Includes tax-exempt property

							Assessed Value as a Percentage of Actual Value ²
Other	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Percent Change	Total Direct Tax Rate	Grand Total Actual Taxable Value		
\$ 1,206,760	\$ 11,135,130	\$ 142,807,170	7.9%	6.805	\$ 967,639,313		15.91%
1,414,580	10,905,230	135,635,763	-5.0%	6.805	953,953,862		15.36%
2,177,530	12,263,170	147,288,760	8.6%	6.805	1,001,239,462		15.94%
3,408,770	13,207,650	170,842,090	16.0%	6.805	1,219,182,510		15.10%
3,263,880	13,207,650	208,282,680	21.9%	6.805	1,346,732,610		16.45%
4,285,850	14,607,160	215,444,970	3.4%	6.805	1,653,001,095		13.92%
4,800,750	15,817,050	231,241,860	11.0%	6.805	1,743,703,006		14.17%
5,702,420	17,486,610	266,484,840	15.2%	6.805	2,128,107,378		13.34%
6,859,150	19,372,740	263,819,990	-1.0%	6.805	2,240,491,910		12.64%
7,236,140	24,110,330	294,286,560	11.5%	6.805	2,535,303,091		12.56%

2.5%

100%

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

Year	Town of Firestone	Weld County	RE1J School District	Frederick Firestone Fire Protection District	Mountain View Fire Rescue District	N. Colo. Water Conservation District	The Greens Metro District
Rates (In mills)							
2012	6.805	16.804	53.500	12.197	11.747	1.000	45.000
2013	6.805	16.804	53.679	12.277	11.747	1.000	50.000
2014	6.805	15.800	53.673	12.250	11.747	1.000	50.000
2015	6.805	15.800	53.887	12.121	11.747	1.000	50.000
2016	6.805	15.800	56.945	12.058	11.747	1.000	50.000
2017	6.805	15.800	56.394	12.058	11.747	1.000	55.456
2018	6.805	15.800	56.394	12.058	11.747	1.000	55.456
2019	6.805	15.038	56.385	11.961	16.247	1.000	55.456
2020	6.805	15.038	56.542	14.383	16.247	1.000	55.838
2021	6.805	15.038	57.358	14.369	16.247	1.000	55.838

Source: Weld County Assessor's Office

¹ Formerly known as the Weld County Library District.

The Springs Metro District	Cottonwood Hollow Res Metro Dist	Cottonwood Hollow Com Metro Dist	Stoneridge Metro District	Neighbor's Point Metro Dist	St. Vrain Sanitation District	Carbon Valley Recreation District	High Plains Library District ¹
42.000	50.000	50.000	50.000	45.000	0.682	6.657	3.261
42.000	50.000	50.000	50.000	45.000	0.680	6.657	3.264
42.000	50.000	46.000	50.000	45.000	0.685	6.710	3.267
42.000	50.000	46.000	50.000	50.000	0.585	6.794	3.308
42.000	50.000	46.000	50.000	45.000	0.519	7.055	3.271
42.000	61.911	46.000	50.000	45.000	0.517	5.955	3.256
42.000	61.911	46.000	50.000	45.000	0.517	5.955	3.256
42.000	61.911	46.000	50.000	45.000	0.519	4.619	3.252
-	65.734	60.000	34.000	45.000	0.475	4.427	3.181
6.000	65.734	60.000	23.373	45.000	0.473	4.427	3.197

**Town of Firestone
Principal Taxpayers
Current Year and Ten Years Ago**

Principal Taxpayer	2021		2012		Total Assessed Value
	Assessed Value	Rank	% Total Assessed Value	Assessed Value	
Crestone Peak Resources, LP	\$ 51,758,090	1	2.04%		
American Furniture Warehouse	8,184,570	2	0.32%	\$ 19,270,370	1
Gateway North Holdings LLC	4,166,330	3	0.16%		
Kerr-McGee Oil & Gas Onshore LP	3,565,350	4	0.14%	11,251,750	2
Kerr McGee Gathering LLC	3,415,470	5	0.13%		
Quadrant Management Inc	2,631,140	6	0.10%		
Home Depot	2,488,200	7	0.10%	1,512,230	10
Dillon Companies Inc	2,409,540	8	0.10%	1,781,700	9
United Power Inc	2,160,330	9	0.09%		
Crestone Peak Resource Holdings LLC	1,863,540	10	0.07%		
Synergy Resources Corp				7,139,730	3
Noble Energy				5,282,340	4
Sunsecured Financing LLC				3,109,300	5
High Plains Marketplace LLC				2,069,680	6
Advance Forming Technology Inc				2,015,450	7
Advance Forming Technology LLC				1,950,070	8
	<u>\$ 82,642,560</u>		<u>3.26%</u>	<u>\$ 55,382,620</u>	<u>5.72%</u>

Source: Weld County Assessor's Office

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

Levy Year	Collection Year	Total Tax Levy ¹	Current Tax Collections	Percent of Levy Collected
2011	2012	\$ 898,148	\$ 897,551	99.93
2012	2013	968,422	964,774	99.62
2013	2014	920,014	914,425	99.00
2014	2015	932,961	990,714	106.00 ²
2015	2016	1,158,501	1,158,493	100.00 ²
2016	2017	1,375,530	1,404,373	102.00 ²
2017	2018	1,400,949	1,455,590	104.00 ²
2018	2019	1,480,347	1,439,646	97.25
2019	2020	1,705,336	1,702,409	99.83
2020	2021	1,490,247	1,486,351	99.74

Source: Weld County Assessor's Office

¹ Taxes are levied on November 1 of the prior year based on the prior year's assessed valuation at January 1.

² Amounts showing greater than 100% collected include previous year abatements that were overruled.

**Town of Firestone
Largest Water Customers
12/31/2021**

	2021				
	Billings/ Payments	% of Total ¹	Rank ⁴	Gallons Used	% of Total ²
Mobile Home Park	\$ 214,190	4.38%	1	34,549,790	3.90%
Commercial (Government) ³	47,543	0.97%	2	9,241,254	1.04%
Commercial	24,512	0.50%	3	5,192,170	0.59%
Commercial	26,715	0.55%	4	4,653,649	0.53%
Commercial (Government) ³	26,690	0.55%	5	4,648,037	0.53%
Irrigation	34,948	0.72%	6	4,624,662	0.52%
Commercial (Government) ³	23,977	0.49%	7	4,622,434	0.52%
Irrigation	30,558	0.63%	8	4,154,004	0.47%
Industrial	20,480	0.42%	9	4,102,680	0.46%
Irrigation	27,781	0.57%	10	3,752,018	0.42%
Total	\$ 477,395	9.77%		79,540,698	8.99%
YTD Amounts	\$ 4,885,396	100%		885,056,308	100%

¹ Based on total Charges for Services

² Based on total Gallons used

³ These accounts are related to the same governmental entity; however, due to different base rates, they are billed and paid as separate accounts.

⁴ Rank is based on total Gallons used

Customers by Class - 2021

Customer Class	# Accounts
Residential	5,255
Commercial (including multifamily)	339
Industrial	2
Total	5,596

Town of Firestone
Ratios of Outstanding Debt by Type
Last Ten Years

Fiscal Year	Governmental Activities				Business - Type Activities				Weld County		
	General Obligation Bond	Sales Tax Revenue Bonds	Certificates of Participation	Capital Leases	Water Loans	Water Bonds	Capital Leases	Total Primary Government	Percent Personal Income	Per Capita	
2012	\$ 70,000	\$ -	\$ 1,535,000	\$ 190,366	\$ -	\$ -	\$ 34,740	\$ 1,830,706	601.68%	\$ 180	
2013	-	-	1,445,000	100,542	-	-	15,782	1,561,324	493.31%	148	
2014	-	3,650,364	1,355,000	20,603	-	-	-	5,025,967	1420.70%	450	
2015	-	3,496,419	1,260,000	755	-	-	-	4,757,174	1067.67%	413	
2016	-	3,344,113	1,160,000	-	-	-	-	4,504,113	1015.57%	349	
2017	-	3,186,868	1,055,000	-	1,580,000	-	-	5,821,868	1031.82%	441	
2018	-	3,029,687	16,464,635	1,192,568	1,580,000	-	-	22,266,890	3946.41%	1,611	
2019	-	2,867,569	21,520,483	892,107	5,905,801	-	-	31,185,960	6238.01%	2,099	
2020	-	2,690,516	23,734,559	577,207	-	55,392,936	-	82,395,218	12578.87%	5,093	
2021	-	2,518,553	22,390,675	-	-	54,870,543	-	79,779,771	10681.10%	4,533	

Details regarding the Town's outstanding debt can be found in Note 7 to the financial statements.

**Town of Firestone
Ratio of General Bonded Debt Outstanding
Last Ten Years**

Year	Population ¹	Actual Taxable Value ²	General Bonded Debt	General Bonded Debt to Actual Taxable Valuation	General Bonded Debt Per Capita
2012	10,147	\$ 967,639,313	\$ 70,000	0.72%	7
2013	10,555	953,953,862	-	0.00%	-
2014	11,175	1,001,239,462	-	0.00%	-
2015	11,524	1,219,182,510	-	0.00%	-
2016	12,917	1,346,732,610	-	0.00%	-
2017	13,187	1,653,001,095	-	0.00%	-
2018	13,826	1,743,703,006	-	0.00%	-
2019	14,860	2,128,107,378	-	0.00%	-
2020	16,177	2,240,491,910	-	0.00%	-
2021	17,600	2,535,303,091	-	0.00%	-

Source: ¹ U.S. Census Bureau
² Weld County Assessor's Office

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

	Debt Outstanding⁽¹⁾	Estimated Percentage Applicable	Amount Applicable to the Town
Direct Debt:			
Town of Firestone	\$ 24,909,228	100%	\$ 24,909,228
Total Direct Debt	<u>24,909,228</u>		<u>24,909,228</u>
Overlapping General Obligation Debt:			
Frederick-Firestone Fire Protection District	300,000	39%	118,124
St Vrain Valley School District	433,555,000	7%	31,141,116
Total Overlapping General Bonded Debt	<u>433,855,000</u>		<u>31,259,240</u>
Total Direct and Overlapping General Bonded Debt	<u>\$ 458,764,228</u>		<u>\$ 56,168,468</u>

⁽¹⁾ Provided by each governmental entity

The determination of debt applicable to the Town is calculated using the Assessed Values for each entity as reported by Weld County Assessor's abstract.

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**Town of Firestone
Pledged Revenue - Developer Reimbursement Obligations
Last Ten Years**

Fiscal Year	Sales Tax Collected		Assets Dedicated		Debt Service Payments	
	PIRA 1.25%	RIFA 0.25%	General Fund	Enterprise Fund	General Fund	Enterprise Fund
2012	\$ 382,529	\$ 76,506	\$ -	\$ -	\$ 158,521	\$ 112,991
2013	402,771	80,554	-	-	483,325	-
2014	437,575	87,515	-	-	525,090	-
2015	470,519	94,104	1,479,388	1,396,328	564,623	-
2016	504,853	100,971	4,801,570	3,103,643	410,226	-
2017	600,156	73,171	1,181,103	400,981	410,414	-
2018	680,027	89,304	1,478,016	2,120,403	1,170,976	-
2019	786,309	104,252	2,261,266	880,824	935,461	-
2020	871,141	123,780	630,570	607,315	2,189,900	-
2021	906,170	126,022	1,567,367	655,365	2,007,207	-

NOTE: 2018 General Fund debt service payment amount changed to exclude amortization of premiums.

**Town of Firestone
 Legal Debt Margin Information
 Last Ten Years**

	2012	2013	2014	2015	2016
Debt limit - 3% of Actual Valuation	\$ 29,029,179	\$ 28,618,616	\$ 30,037,184	\$ 36,575,475	\$ 40,401,978
Total Net Debt Applicable to Limit	70,000	-	-	-	-
Legal Debt Margin	<u>\$ 28,959,179</u>	<u>\$ 28,618,616</u>	<u>\$ 30,037,184</u>	<u>\$ 36,575,475</u>	<u>\$ 40,401,978</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	0.24%	0.00%	0.00%	0.00%	0.00%

Source: Town of Firestone Finance Department

2017	2018	2019	2020	2021
\$ 49,590,033	\$ 52,311,090	\$ 63,843,221	\$ 67,214,757	\$ 76,059,093
-	-	-	-	-
<u>\$ 49,590,033</u>	<u>\$ 52,311,090</u>	<u>\$ 63,843,221</u>	<u>\$ 67,214,757</u>	<u>\$ 76,059,093</u>
0.00%	0.00%	0.00%	0.00%	0.00%

**Town of Firestone
Net Revenues and Pro-Forma Debt Service Coverage
Last Ten Years**

Fiscal Year	2015 ³	2016	2017	2018
Gross Revenues				
Charges for Services	\$ 2,872,033	\$ 3,166,697	\$ 4,017,893	\$ 4,444,869
Tap/Connection Fee Revenue	336,000	399,000	1,724,105	1,350,295
Other Operating Income	122,296	25,000	84,509	379,637
Total Gross Revenues	3,330,329	3,590,697	5,826,507	6,174,801
Operation and Maintenance Expenses¹	2,092,654	2,338,213	2,087,426	2,408,119
Net Revenues	\$ 1,237,675	\$ 1,252,484	\$ 3,739,081	\$ 3,766,682
Combined Maximum Annual Principal and Interest Requirements²	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550	\$ 2,857,550
Pro-Forma Coverage	0.43	0.44	1.31	1.32

¹ This figure includes all operating expense properly allocable to the System pursuant to GAAP, but excludes depreciation, amortization, interest paid on outstanding bonds or net tap fees paid to Central Weld, which are booked as expenses pursuant to GAAP.

² This represents the Combined Maximum Annual Principal and Interest Requirements payable on the 2020 Bonds, after taking the Refunding Project into account (\$2,857,550 in years 2025 and 2032).

³ Revenue breakout is not readily available from the Town's records prior to 2015.

2019	2020	2021
\$ 4,553,938	\$ 5,296,193	\$ 5,830,133
1,729,800	1,776,600	1,840,200
628,872	24,870	12,951
6,912,610	7,097,663	7,683,284
1,793,310	2,209,620	2,771,671
\$ 5,119,300	\$ 4,888,043	\$ 4,911,613
\$ 2,857,550	\$ 2,857,550	\$ 2,857,550
1.79	1.71	1.72

**Town of Firestone
Demographic and Economic Statistics
Last Ten Years**

Year	Weld County					
	Town of Firestone Population ¹	Personal Income (amounts expressed in thousands)	Per Capita Income ³	Median Age ¹	School Enrollment ²	Unemployment Rate ³
2012	10,147	\$ 304,268	\$ 29,986	33.6	28,109	9.3
2013	10,555	316,502	29,986	33.7	29,382	8.7
2014	11,175	353,767	31,657	33.7	30,017	5.9
2015	11,524	445,564	38,664	33.7	31,776	3.7
2016	12,917	443,505	34,335	34.0	31,776	4.5
2017	13,187	564,232	42,787	33.7	32,171	2.5
2018	13,826	499,934	36,159	33.7	32,421	2.7
2019	14,860	655,029	44,080	34.3	32,639	2.7
2020	16,177	746,924	46,172	33.8	31,736	3.0
2021	17,600	883,485	50,198	34.8	32,406	7.2

Sources: ¹ U.S. Census Bureau
² St. Vrain Valley School District
³ Upstate Colorado

Weld County information is provided due to a lack of availability of Town of Firestone statistics.

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

Employer	2021				2012			
	# of Employees	Rank	Type of Business	% Total Town Employment	# of Employees	Rank	Type of Business	% Total Town Employment
American Furniture Warehouse	380	1	Retail	5.04%	73	7	Retail	2.92%
King Soopers Store - Firestone	193	2	Grocery	2.56%	134	3	Grocery	5.36%
ARC Worldwide	180	3	Retail	2.39%	*		Retail	0.00%
Home Depot	155	4	Improv.	2.06%	99	5	Improv.	3.96%
Safeway Store - Firestone	111	5	Grocery	1.47%	96	6	Grocery	3.84%
Town of Firestone	106	6	Government	1.41%	45	9	Government	1.80%
Coal Ridge Middle School ¹	62	7	Education	0.82%	*		Education	0.00%
Pepper's Fireside Grille	50	8	Education	0.66%	*		Education	0.00%
McDonald's	50	9	Fast Food	0.66%	*			0.00%
Centennial Lending	48	10	Financial	0.64%	*		Financial	0.00%
Flatiron	*		Construction	0.00%	160	2	Construction	6.40%
St. Vrain School District ¹	*		Government	0.00%	166	1	Government	6.64%
Advanced Forming Technologies	*		Manufacturing	0.00%	104	4	Manufacturing	4.16%
St. Vrain Sanitation District	*		Government	0.00%	47	8	Government	1.88%
Ehrlich I-25 Kia	*		Retail	0.00%	41	10	Retail	1.64%
Total	1,557			17.71%	965			38.60%
Total Town Employment (estimated)	7,537				2,500			

Source: Firestone Finance Department & Planning Department

* Information is not available.

**Town of Firestone
Property Value and Construction
Last Ten Years**

Year	Actual Property Value ⁽¹⁾			Commercial Construction ⁽²⁾		Residential Construction ⁽²⁾	
	Commercial	Residential	Total	# Units	Value	# Units	Value
2012	\$ 119,719,877	\$ 719,652,488	\$ 839,372,365	2	\$ 869,400	71	\$ 12,922,858
2013	126,990,855	711,483,814	838,474,669	7	4,625,128	78	20,178,465
2014	128,148,022	730,710,535	858,858,557	5	2,289,245	132	37,324,080
2015	127,927,625	939,194,775	1,067,122,400	16	5,428,715	221	56,330,300
2016	131,842,824	1,023,041,946	1,154,884,770	37	15,823,875	191	56,478,538
2017	147,657,928	1,314,690,408	1,462,348,336	46	14,087,021	167	45,594,678
2018	152,692,770	1,387,985,939	1,540,678,709	57	40,232,129	133	36,020,629
2019	191,293,787	1,705,925,376	1,897,219,163	26	25,549,857	260	74,086,365
2020	208,724,174	1,813,367,258	2,022,091,432	21	22,069,498	252	70,427,254
2021	221,772,900	2,063,103,259	2,284,876,159	19	11,144,358	322	94,444,891

Source:

⁽¹⁾Weld County Assessor's Office

⁽²⁾Town of Firestone Building Department (Community Core - Issued Permits Report)

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

Function	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	12.0	12.0	15.0	8.3	9.8	11.0	19.0	24.5	30.0	33.0
Public Safety										
Police	18.0	19.0	22.0	23.0	26.0	24.5	33.0	32.5	32.5	29.8
CSO	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	2.0
Public Works	-	-	-	-	-	6.5	8.1	9.0	10.0	9.0
Parks and Recreation	-	-	-	-	-	4.0	10.0	12.0	12.0	10.0
Community Development	12.0	13.0	13.0	19.4	21.7	-	-	-	-	-
Water	1.0	2.0	2.0	2.5	2.6	5.7	5.8	3.0	4.0	5.0
StormWater	-	-	-	-	-	1.1	2.1	2.0	2.0	3.0
Total	45.0	48.0	54.0	55.2	62.1	55.8	81.0	86.0	93.5	91.8

Source: Town of Firestone Finance Department

**Town of Firestone
Miscellaneous Statistics
Last Ten Years**

Date of Incorporation 1908
Form of Government Trustees & Town Manager

	2012	2013	2014	2015
Number of Employees				
Non-Exempt (Hourly)	37	38	44	45
Exempt (Salary)	8	10	10	13
Town of Firestone's Facilities and Services				
Streets Paved/Gravel, in Miles ¹	74	74	74	74
Parks:				
Number of Parks ¹	18	18	18	18
Number of Park, Open Space, and Undeveloped Acres Maintained	998	998	998	998
Parks Maintained, by Acreage ¹				
Open Space Maintained, by Acreage ¹				
Town Owned Property-Maintained, by Acreage ¹				
Number of Trail & Sidewalk Miles Maintained	5	5	18	18
Trails, in Miles ¹				
Police Protection:				
Number of Stations	1	1	1	1
Number of Police Personnel and Officers	23	23	23	25
Number of Patrol Units	16	16	17	14
Water System:				
Linear Feet of Water Lines Maintained ¹	307,824	288,482	288,482	288,482
Linear Feet of Water Lateral Lines ¹	*	*	*	*
Number of Customer Accounts	3,344	3,435	3,533	3,763
Services not Included in the Reporting Entity:				
Frederick Firestone Fire Protection District				
Electrical services by Xcel Energy or United Power				
Gas services by Source Gas				
Sewer services by St. Vrain Sanitation District				
School Districts				
Weld County School District RE-1				
St Vrain Valley School District				

Source: Town of Firestone Departments

* Information is not available

¹ The Town of Firestone has developed a GIS department. In implementing this process, the tracking of assets is considered to be more reliable than the information used in the past.

2016	2017	2018	2019 ¹	2020 ¹	2021 ¹
52	51	65	61	66	66
10	9	16	25	26	26
74	74	74	95	100	116
18	18	18	17	18	18
998	998	998	400	400	400
			204	204	204
			171	171	171
18	18	18	28	28	28
1	1	1	1	1	1
28	28	28	37	37	39
21	23	23	24	27	27
288,482	288,482	288,482	342,754	352,615	352,615
*	*	*	179,685	188,057	188,057
3,910	4,200	5,358	5,625	5,814	5,831

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Town of Firestone
	YEAR ENDING : December 2021

This Information From The Records Of (example - City of _ or County of Town of Firestone	Prepared By: Jessica Clanton Phone:303.531.6279
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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)	6,363
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,071,371
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	0
2. General fund appropriations		b. Snow and ice removal	50,456
3. Other local imposts (from page 2)	3,307,770	c. Other	0
4. Miscellaneous local receipts (from page 2)	187,628	d. Total (a. through c.)	50,456
5. Transfers from toll facilities		4. General administration & miscellaneous	
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	1,128,190
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	0	a. Interest	
7. Total (1 through 6)	3,495,398	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	0
C. Receipts from State government (from page 2)	625,046	2. Notes:	
D. Receipts from Federal Government (from page 2)	0	a. Interest	96,044
E. Total receipts (A.7 + B + C + D)	4,120,444	b. Redemption	170,000
		c. Total (a. + b.)	266,044
		3. Total (1.c + 2.c)	266,044
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	1,394,234

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

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	2,675,000		170,000	2,505,000
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
		4,120,444	1,394,234		

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	(17,610)
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,477,129	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	556,871	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	205,238
5. Specific Ownership &/or Other	273,770	g. Other Misc. Receipts	
6. Total (1. through 5.)	3,307,770	h. Other	
c. Total (a. + b.)	3,307,770	i. Total (a. through h.)	187,628
	(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	553,896	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	65,779	d. Federal Transit Admin	
d. Other (Specify) - Fuel tax reimb	5,371	e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	71,150	g. Total (a. through f.)	
4. Total (1. + 2. + 3.f)	625,046	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs			0
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		0	0
(4). System Enhancement & Operation		6,363	6,363
(5). Total Construction (1) + (2) + (3) + (4)	0	6,363	6,363
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	6,363	6,363
			(Carry forward to page 1)
Notes and Comments:			