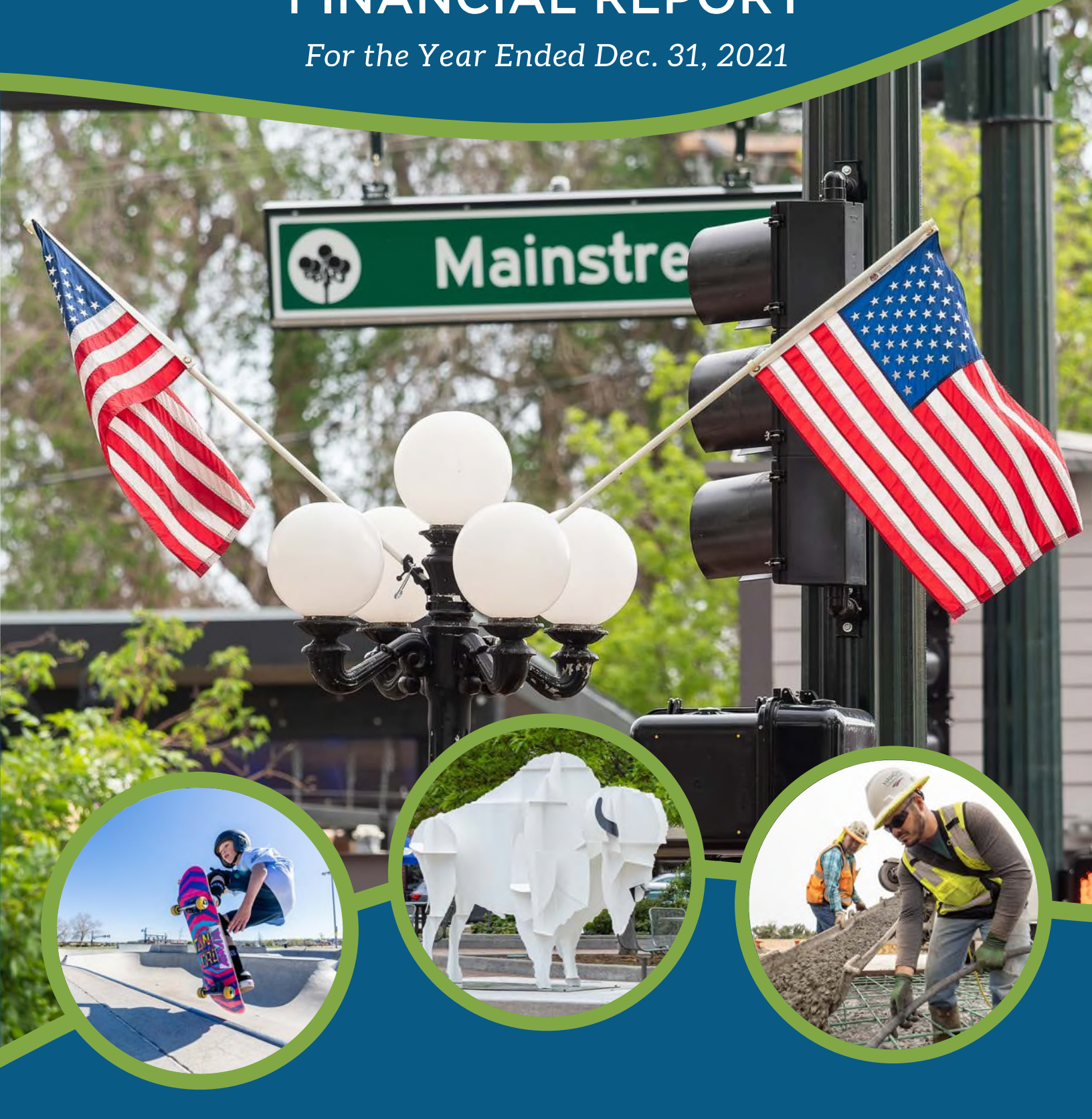




PARKER
C O L O R A D O

2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Year Ended Dec. 31, 2021



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June 13, 2022

To the Honorable Mayor, Members of the Town Council and Citizens of the Town of Parker, Colorado

We are pleased to submit for your information and review, the Annual Comprehensive Financial Report (financial report) of the Town of Parker, Colorado (the Town) for the year ended December 31, 2021. The Town Charter requires that an independent audit of the financial statements be performed annually by certified public accountants within 120 days after the close of the fiscal year. In accordance with this requirement, Plante Moran PLLC, a firm of licensed certified public accountants, has audited the Town's financial statements. The independent auditor has issued unmodified ("clean") opinions on the Town's financial statements for the fiscal year ended December 31, 2021. Their report is presented as the first component of the financial section of this financial report.

This report consists of representations concerning the finances of the Town. Responsibility for both the accuracy of the prepared data and the completeness and fairness of the presentation, including all disclosures, rests with the Town. To provide a reasonable basis for making those representations, the Town has established an internal control framework that is designed to both protect the assets of the Town from loss, theft or misuse and to allow for the compiling of sufficient reliable information for the preparation of the Town's financial statements in conformity with generally accepted accounting principles. Because the cost of internal controls should not outweigh their benefits, the Town's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Management's Discussion and Analysis (MD&A), immediately following the independent auditors' report, provides a narrative introduction, overview and analysis of the basic financial statements. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF THE TOWN

Located 20 miles south of Denver and spanning 22.4 square miles, the Town of Parker offers the perfect balance of a full-service community with a hometown feel. A community that is highly rated for safety, Parker provides more than 58,000 residents with an unmatched quality of life, spectacular parks and recreation amenities, a great business mix, world-class cultural facilities and a wide variety of community events. With a highly-educated population and household income that exceeds most of the Denver Metro area, Parker is well positioned for the future.

Parker operates under a Town Council/Administration form of government. The Mayor and Town Council, who are elected at large, make policy decisions, approve the Town budget and enact and provide for the enforcement of Town ordinances (laws). Town Council hires and directs the Town Administrator, who oversees Town staff and the day-to-day operations of the organization.

The Town employs 303 full-time and 564 part-time employees who are dedicated to providing services to our Parker citizens. The Parks, Recreation and Open Space Department employs the largest number of staff. Parker's Arts, Culture and Events Center also bustles with activity year round.

The Town continues to grow quickly and works diligently to provide and maintain the necessary community infrastructure, including more than 500 lane miles of roadway, 92 traffic signals, over 6,600 stormwater drainage facilities, and 32 Town-owned buildings. Our Police Department is an accredited industry leader and recently implemented a nationally-recognized body-worn camera program, as well as other innovative initiatives.

In addition to the many services offered by the Town, we strive to engage our community through social media, opportunities for involvement and a wide range of activities and events. Even through Parker's growth, we have managed to maintain a palpable feeling of community.

Parker is a well-planned community that offers excellent opportunities for investors, retailers and developers to relocate or expand. Both businesses and residents enjoy the open space and trails, recreational amenities, opportunities for community involvement and great schools. They also enjoy a wide range of shopping venues, access to many modes of transportation and quality services.

History

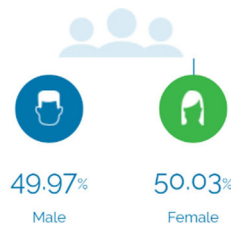
When the Town incorporated in 1981, it was one square mile and had a population of 285. Since then, Parker has transformed from a rural equestrian community to an exciting town with more than 58,000 residents, beautiful open spaces and well-planned residential and commercial developments. The municipalities of Lone Tree and Aurora are directly adjacent to Parker while Castle Rock is located just to the south.

People

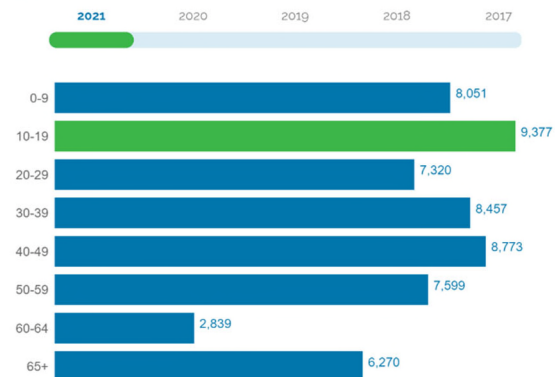
The total population of Parker is 58,684. The median age is 34.69

58,684

Total Population



Age Distribution



Median Age

35

Governance

The Town is a home-rule municipality governed by a Council-Administrator form of government. Six Councilmembers and the Mayor are elected to staggered four-year terms, such that no more than three Councilmember terms expire every two years. Councilmembers and the Mayor are limited to four, four-year terms in their lifetime.

Town Council is given the power by the Town Charter to enact and provide for the enforcement of ordinances, make policy decisions and approve the Town budget. They also hire, supervise and direct the Town Administrator, Town Attorney and Municipal Court Judge. The Town Administrator carries out the Council's directives and is responsible for all other Town staff and day-to-day activities.

PARKER AMENITIES

Healthcare

Parker Adventist Hospital is located in Parker and offers a wide array of specialists and services. New medical offices and practices continue to locate near this facility and the surrounding area, attracting a high-quality workforce to the community. In addition, the Skyridge Medical Center is located in Lone Tree, just 10 miles west of Parker. Both hospitals have recently added new facilities to accommodate the growth that Parker and Douglas County have experienced in recent years.

Parker is also home to the Rocky Vista University College of Osteopathic Medicine. The Rocky Vista University campus includes leading-edge technology, AV capabilities and educational support which are evident throughout the approximately 145,000 square feet of campus and buildings of the University.

Water

Three special districts serve the greater Parker area's water needs: Parker Water and Sanitation District, Cottonwood Water and Sanitation District and Stonegate Village Metropolitan District. These are separate districts and are not included in the Town's financial statements.

Roadways and Travel

Parker is located in northeast Douglas County approximately five miles east of I-25. The E-470 tollway runs through the northern area of Town and the 15 to 20 minute commute to the Meridian, Inverness and Denver Tech Center business parks is easily made via the expressway.

South Parker Road (State Highway 83) provides connectivity and convenient access for commuters. The Regional Transportation District (RTD) also serves the Parker community by providing rapid transit services, including the Light Rail on Lincoln Avenue and a Call-N-Ride system to various businesses and residences.

Airports

Centennial Airport, located about 15 minutes from central Parker, is the third busiest general aviation facility in the country, handling corporate and charter air traffic. Denver International Airport is approximately 30 miles northeast of Parker and can easily be reached in 30 minutes via E-470.

Transportation

■■■

Residents spend an average of 27 minutes commuting to work. Parker is served by 12 airports within 50 miles. Rail can be accessed within 5 miles. Interstates can be accessed within the community.



27min

Commute Travel Time



0 + 12 (+50 miles)

Airports in Community



Interstate

In Community



5

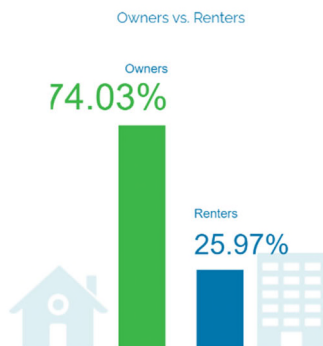
Distance to Freight Rail

Housing

Parker's residential communities include a variety of well-planned housing opportunities, ranging from entry level homes to luxury executive housing to multi-family townhomes, condos and apartments. Mixed-use neighborhoods are being developed in Parker, as well as a variety of homes along golf courses, parks and open space. The median home value is \$630,000.

Housing

There are 48% more households who own their homes than there are renters.



Recreation

Parker residents enjoy a wide variety of recreational activities, including a library, a senior center and 17 public parks. The public parks contain a variety of facilities including soccer, baseball and softball fields, basketball courts, tennis courts, a skate park, walking trails, picnic pavilions and playgrounds, as well as a dog park and disc golf course. During the winter months, the Discovery Park Ice Ribbon is a favorite gathering place for residents. The Town's Railbender Skate and Tennis Park is a favorite for many local in-line skaters and skateboarders.

The Parker Fieldhouse is a 100,000-square-foot indoor facility that features basketball courts, a 25-foot climbing wall, inline hockey rink, turf field, fitness center, running track and batting cages. Program participation continues to exceed expectations.

The Recreation Center is home to an Olympic-size indoor swimming pool that is used by the high school swim teams, as well as for swimming lessons, exercise classes and year-round recreational swimming. The pool area also features a warm water therapy pool, rock climbing wall over a catch pool, waterslide, and activity pool with zero-depth entry, play feature and lazy river. The facility also includes basketball courts, pickle ball courts, work-out area with state-of-the-art equipment, cycling area and classrooms for various activities.

H2O'Brien Pool is an outdoor swimming pool that features two 182 foot waterslides, a zero-depth entry with a state of the art water feature, a lap pool, a concession area and a sizeable deck space with seating, ample shade and a game area. Individuals of all ages will enjoy this attraction in the heart of downtown Parker.

Of course, Parker recreation is much more than facilities. Our community enjoys a full range of adult and youth programming choices. Offerings include year-round swimming lessons, youth and adult sports and special interest classes, arts and crafts classes and cultural events. Recreational sport leagues are available year-round for nearly all age groups.

Arts, Culture and Events

From festivals and events to public art and performances, Parker is an exceptionally artistic and creative community.

The Parker Arts, Culture and Events (PACE) Center opened in the fall of 2011 and is home to a 500-seat theater, 250-seat amphitheater, art gallery, event room, dance studio, culinary teaching kitchen, visual arts studios, media room and several classrooms. The PACE Center provides a wide variety of family-oriented cultural, arts, scientific and educational programming to the region and serves as a rental venue for community, business and social events.

The Schoolhouse, located in the heart of downtown Parker, continues to house fantastic events, shows, classes and art. Originally opened in 1915 as the Parker School House, the building operated as a school until 1967 and was acquired by the Town in 1995. The Schoolhouse includes a 200-seat theater, dance studio and classrooms for community, cultural and recreational activities.

Education

Parker is served by the Douglas County School District Re. 1 (DCSD). The third largest school district in the state, DCSD serves more than 67,000 students and is one of the highest performing districts in Colorado.

In addition to the Rocky Vista University College of Osteopathic Medicine, Parker is also home to the Arapahoe Community College Parker Campus, which provides a convenient location for educational opportunities for higher education to those living or working in and around Douglas County.

Educational Attainment



63.98% of the population in Parker have an Associate's degree or higher. 54.66% have a Bachelor's degree or higher.



Parker Tax Rates

The Town's property tax rate is 2.602 mills, which is one of the lowest property tax rates in the state. The Town's sales tax rate is 3 percent and is the largest revenue source for the Town. The total sales tax rate in Parker is 8 percent and includes the state, county and RTD. Of the Town's 3 percent sales tax, 2.5 percent is directed to the General Fund to support the majority of the Town's operations including public safety and public works. The other 0.5 percent is dedicated to meeting Parker's parks, recreation and open space needs.

Economy and Demographics

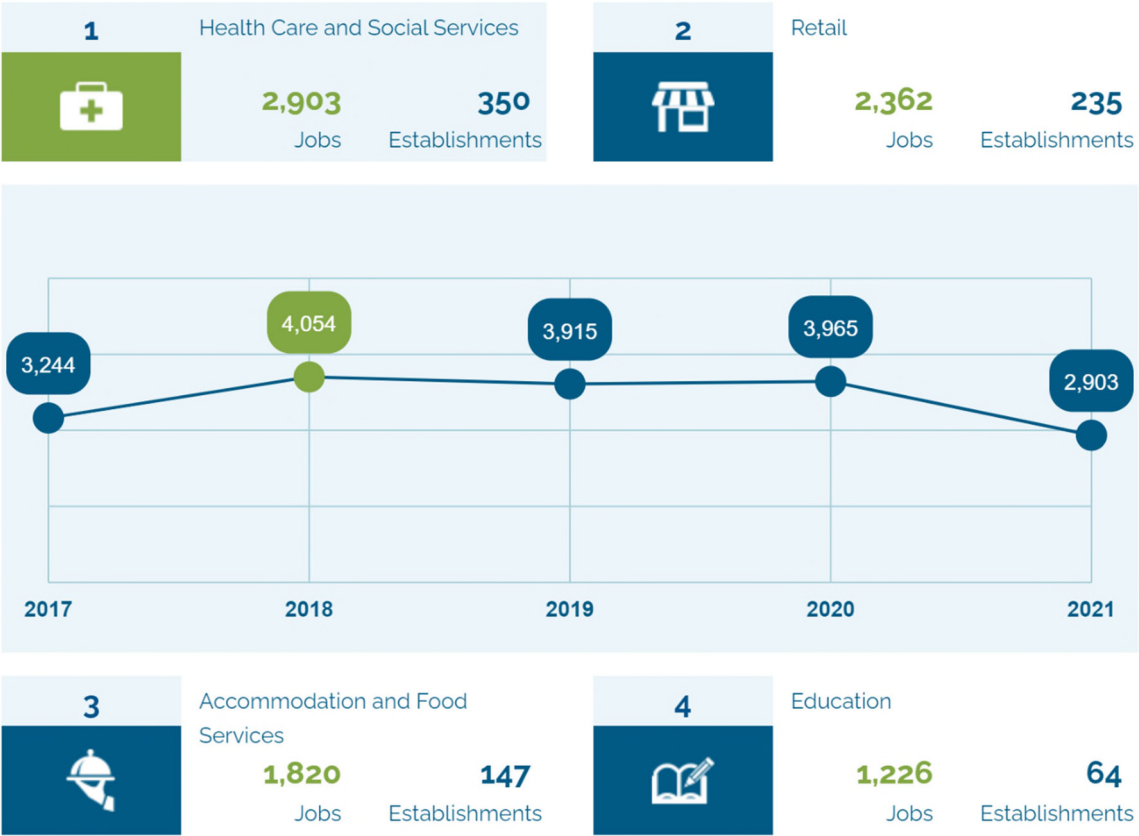
In addition to the excellent recreation, education, health care, transportation access and water amenities currently available, strong demographics in Parker and Douglas County support the Town's economic activity and growth. The following set of data and graphical information illustrates various demographic and economic indicators of the Town and the surrounding area.

Businesses and Jobs

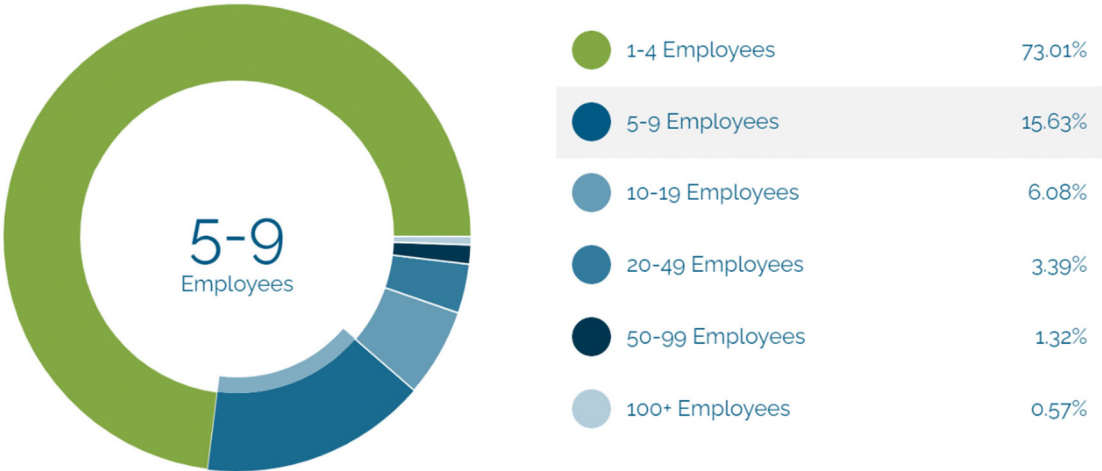


Parker has a total of 2,419 businesses. In 2021, the leading industries in Parker were Health Care and Social Services, Retail, Accommodation and Food Services, and Education.

What are the top industries by jobs?



How many employees do businesses in Parker have?



Labor Force

Parker has a labor force of 34,234 people, with an unemployment rate of 3.7%.



34,234
Labor Force

3.7%
Unemployment Rate

▼ -1.5%
Unemployment Rate
Change (1 year)

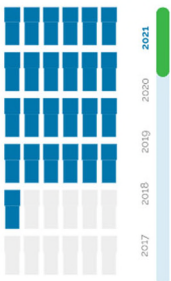
Talent

What are the largest job counts by occupation?



Total Employees

16,072



The work distribution of total employees in Parker is:

30%
Blue Collar

69%
White Collar

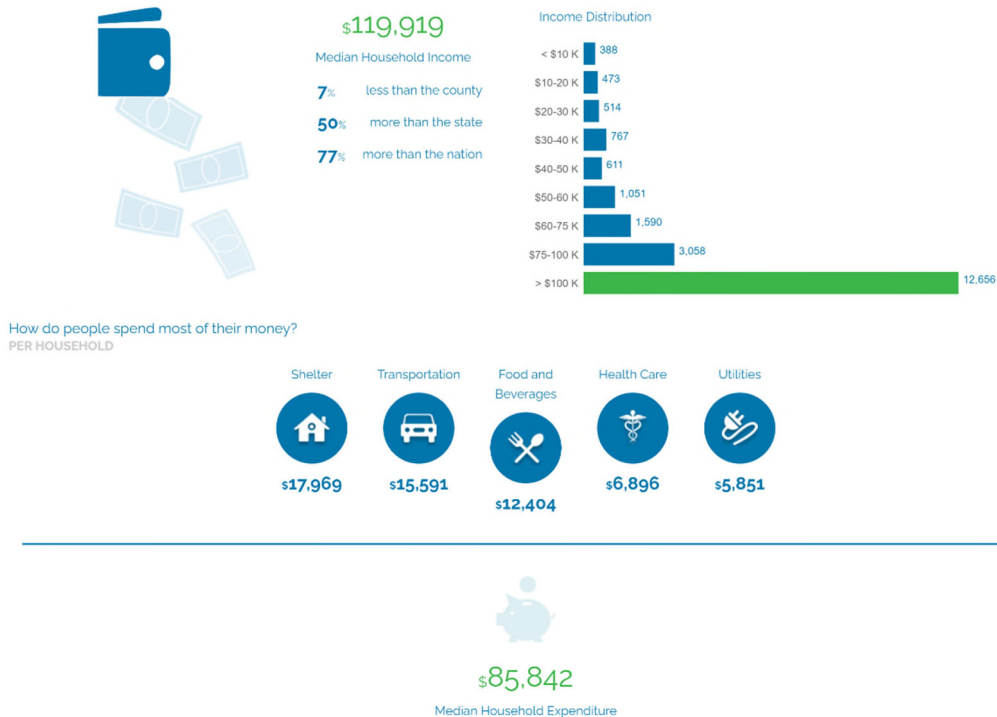
Total Establishments

2,419



Income and Spending

Households in Parker earn a median yearly income of \$119,919. 74.44% of the households earn more than the national average each year. Household expenditures average \$85,842 per year. The majority of earnings get spent on Shelter, Transportation, Food and Beverages, Health Care, and Utilities.



The financial reporting entity of the primary government (the Town) includes all of its funds and its two blended component units, the Parker Authority for Reinvestment (P3) and the Greater Parker Foundation (GPF). Component units are legally separate entities for which the primary government is financially accountable.

P3, an urban renewal authority, was incorporated in 2006 under the Colorado Revised Statutes C.R.S. § 31-25-101, et seq. for the purpose of eliminating blight and facilitating redevelopment within the Town. The GPF was incorporated in 2008 as a Colorado non-profit corporation exclusively for public, charitable, and educational purposes as described in and contemplated by § 501(c)(3) of the Internal Revenue Code of 1986, and more specifically, exclusively for the benefit of the Town.

These component units are included in the Town's financial statements because the Town appoints the board members for and has financial accountability for them. For more information on these legally separate entities, please refer to Note 1 in the notes to the financial statements.

The Town provides the following services as authorized by its charter: public safety (police and building inspections); public works (streets and parks); culture and recreation; and stormwater utilities. General government activities include administration, legal, finance, community development services and municipal court. Fire protection and schools are provided by separate districts and are not included in the Town's financial statements.

The Town has a calendar fiscal year. The Town's charter requires the Town Council to adopt a budget no later than December 15 of the preceding fiscal year. The budget for each fund is adopted on an annual basis and maintains a system of budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Town Council. Activities of the general, special revenue, debt service, capital projects, enterprise and internal service funds are included in the annual appropriated budget ordinance. Appropriations for all funds lapse at year-end. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. For management control purposes, the

Town prepares a line item budget by department. With the approval of the Finance Director and the Town Administrator, department directors may reallocate the distribution of the budgeted amounts within the major categories of the department's operating appropriations (expenditures). Reallocation may not be made to or from the personal services line items. Town Council must approve all new full-time employee positions.

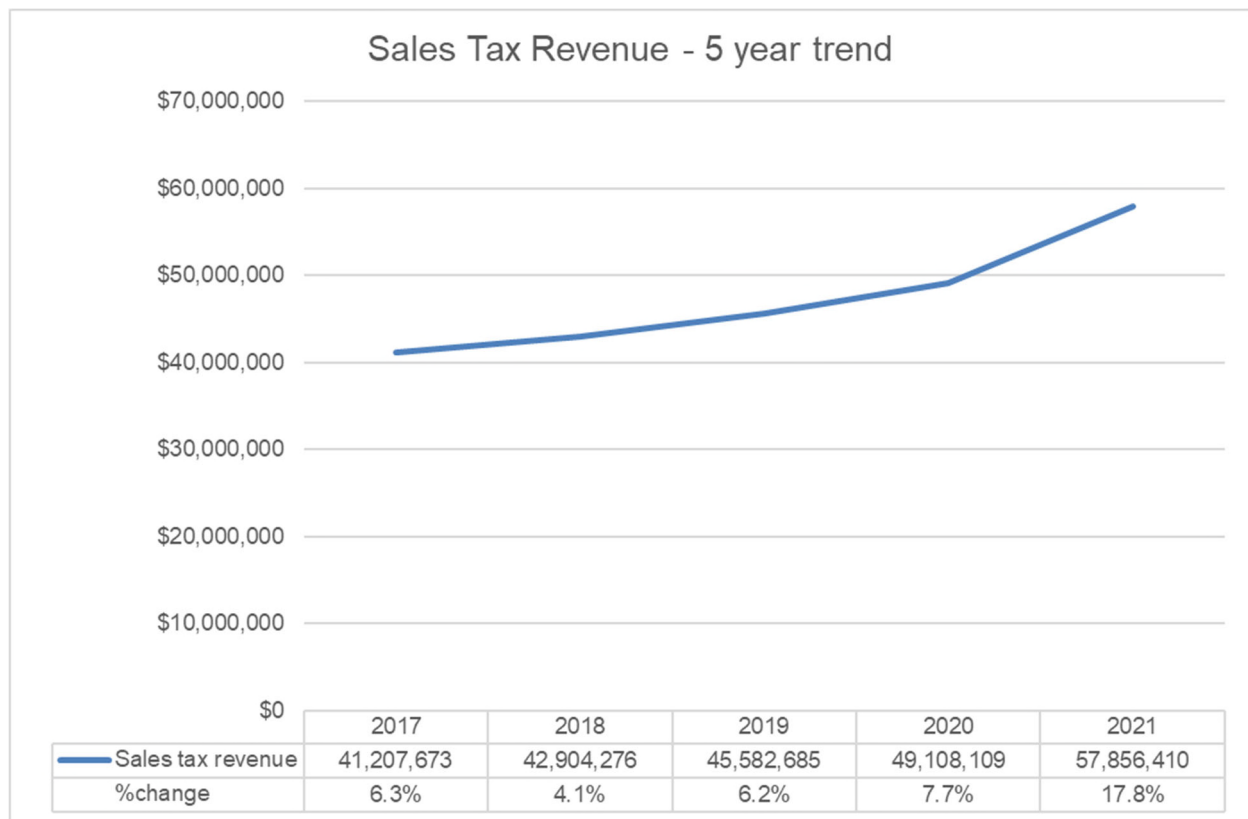
ECONOMIC CONDITIONS

The Town concluded the year in excellent financial condition, as indicated in this December 31, 2021 financial report.

Local retail sales growth, as evidenced by sales tax receipts, has been strong and has reflected a growing level of retail establishments and growing population. Sales tax, the Town's largest revenue source, increased 17.8 percent in 2021 compared to 2020, which in turn was 7.7 percent greater than 2019. The Sales Tax chart below illustrates the sales tax growth rate from 2017 through 2021.

Due to the unknown financial impact of the COVID-19 Pandemic, the charges for services revenue in the Cultural and Recreation Funds continued to be impacted due to reduced programming and attendance. Sales tax in the Parks and Recreation and General Funds was very strong. This may be a combination of the residents of the Town and surrounding areas continued delay of returning to work and shopping locally, an increase of population, inflation, an increase of e-commerce sales, and the child tax credit payments in 2021.

Sales Tax



Parker's unemployment rate ended 2021 at 3.8 percent. The Town has continued to fare better than the State, which had a 4.8 percent unemployment rate at the end of 2021. For the same period, the national unemployment rate was 3.9 percent.

The Town developed the 2022 Annual Budget using a conservative approach. The uncertainties of the impact of the coronavirus pandemic, strong construction figures, housing sales and consumer confidence, led us to continue with a realistic, yet conservative budgeting approach. Therefore, with our cautious optimism for the outlook on the economy, we projected moderate revenue increases for 2022.

Given our conservative revenue projections, we continue to build the budget on an incremental approach. An incremental approach uses a base, or existing budget and adjusts up or down as necessary. An increased emphasis has been placed on infrastructure maintenance and replacement of aging equipment. The budget also reflects the priority the Town places on its employees with both a strong performance pay plan and competitive benefit plans in place.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

As part of its strategic plan, the Town Council developed the following strategic goals related to the Town's future in the areas of Recreation, Arts and Culture, Economic Development, Public Safety and Growth. The Town will undertake strategic and priority driven, long-term financial planning in order to determine the feasibility and funding source for each of these initiatives, which are described below.

Support an Active Community



Parker will demonstrate our commitment to the health of our community, both indoors and out by enhancing our parks and recreational activities. We promote a healthy lifestyle and work to meet the needs of a diverse, multigenerational community.

Foster Community Creativity and Engagement



Parker will stimulate community creativity and engagement through high quality cultural and educational programs and amenities. These will include family-friendly community events, accessible cultural venues, state-of-the-art public libraries and innovative lifelong learning opportunities, all of which are vital to a creative community.

Enhance Economic Vitality



Parker will become an area leader for economic growth by supporting the development of thriving businesses and industry. We will play a critical role in shaping quality of life, creating a sense of place, and providing fiscal stability for the community.

Promote a Safe and Healthy Community



Parker will promote the public health and safety of our community by protecting our residents' welfare through prevention services and a safe transportation network. Parker fosters a feeling of personal safety and security through a visible, responsive public safety presence and a proactive focus on prevention, intervention and safety education.

Innovate with Collaborative Governance



Parker will support transparency, accountability, and fiscal sustainability by using innovative techniques to optimize performance. We engage in regional relationships and governing partnerships, including our education, fire, and water agencies. Parker supports a high quality, dedicated workforce to support these goals.

Develop a Visionary Community through Balanced Growth



Parker will demonstrate our commitment to balanced growth, community development and infrastructure using a visionary plan for a sustainable future. We support a healthy, future-focused community with exceptional services and a hometown feel. Parker supports well-planned development supported by excellent infrastructure.

Mission

The mission of the Town of Parker is to enrich the lives of residents by providing exceptional services, engaging community resources and furthering an authentic hometown feel. We promote transparent governing and support sustainable development and a strong, local economy.

Vision

The Town of Parker's vision is to be the pre-eminent, destination community of the Denver Metro area for innovative, top-quality services with a hometown feel. We will be an area leader in economic and community development, and strive to be at the forefront for services, civic engagement, and quality of life.

RELEVANT FINANCIAL POLICIES

Through the 2021 fiscal year, the Town policy was to maintain at least three months of operating expenditures (25.0 percent of the annual budgeted expenditures) in the fund balance of the General Fund. As of December 31, 2021, the unassigned fund balance of \$21.3 million was 26.6 percent of the General Fund actual expenditures including transfers. In the event that expenditures begin to “catch-up” to revenues, the Town will take necessary actions to address the situation.

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

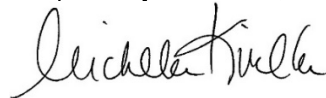
The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Town for its Annual Comprehensive Financial Report for the Fiscal Year Ended December 31, 2020. This was the 32nd consecutive year that 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 principles 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 requirements of the Certificate of Achievement Program and we are submitting it to the GFOA to determine its eligibility for another certificate.

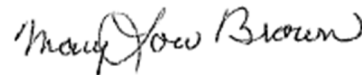
ACKNOWLEDGEMENTS

We wish to extend our sincere appreciation to the Town’s entire Finance Department staff. Another year and report are successfully completed due to the hard work and dedication of each member of the department, especially our Controller Rhonda Willey and Accountant Rebecca Kober. We would also like to offer special thanks to our independent auditors, Plante Moran, PLLC, for the professional manner in which they completed our audit. Thank you to our department leaders and managers for their continued diligence and attention to Town financial matters. Finally, we thank the Town Council and our Mayor for their interest and support in planning and conducting the financial operations of the Town.

Respectfully submitted,



Michelle Kivela
Town Administrator



Mary Lou Brown
Finance Director

To find out more about our great community, visit www.ParkerOnline.org.
Parker, Colorado. It's your kind of place.



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Town of Parker
Colorado**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

2021 TOWN OFFICIALS



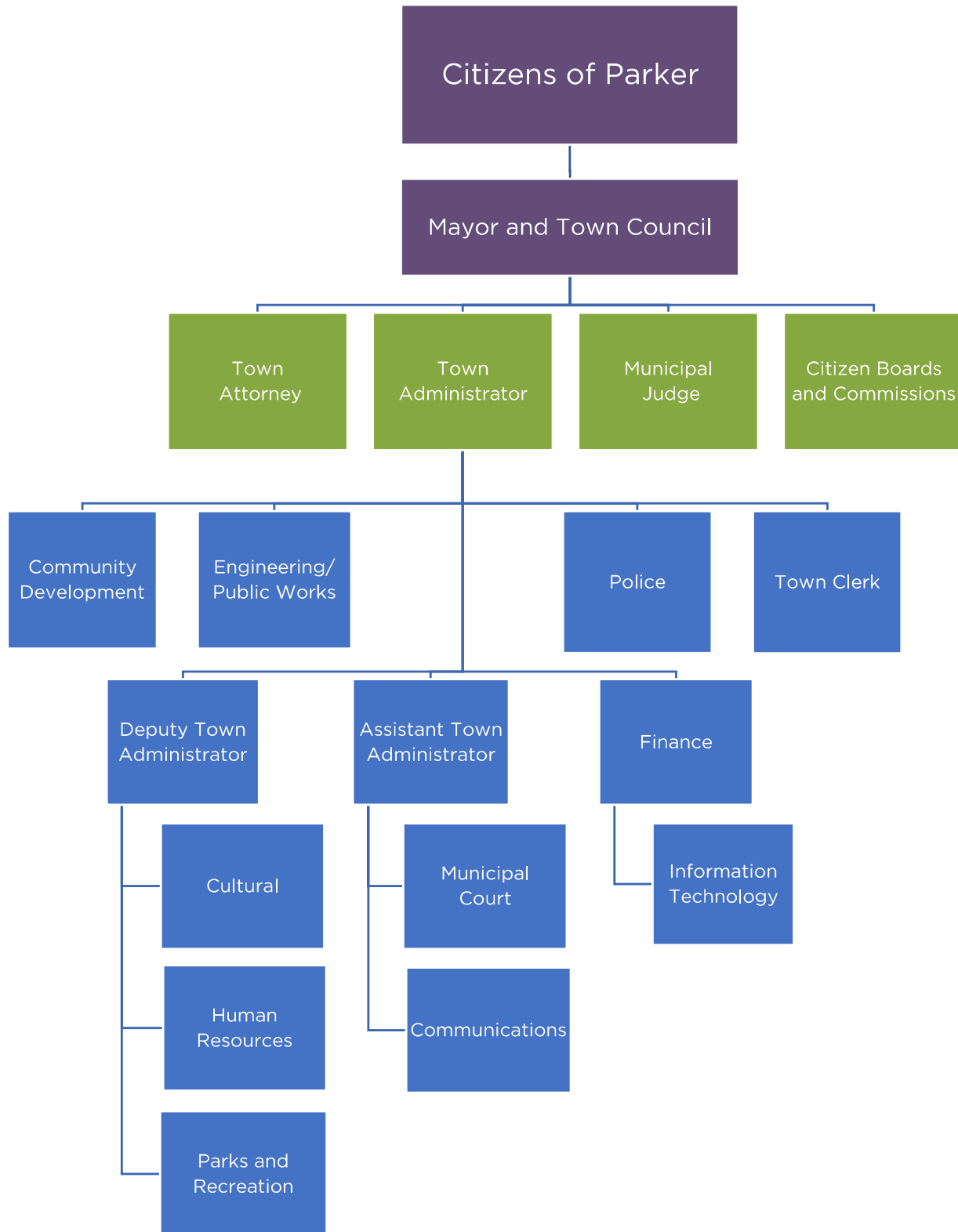
From left to right: Councilmember Cheryl Poage, Joshua Rivero, Mayor Jeff Torborg, Councilmember Todd Hendricks, Councilmember Laura Hefta, Councilmember John Diak, and Councilmember Anne Barrington.

Appointed Officials

Town AdministratorMichelle Kivela
Town AttorneyJames S. Maloney
Municipal Judge Kevin Sidel

Department Directors

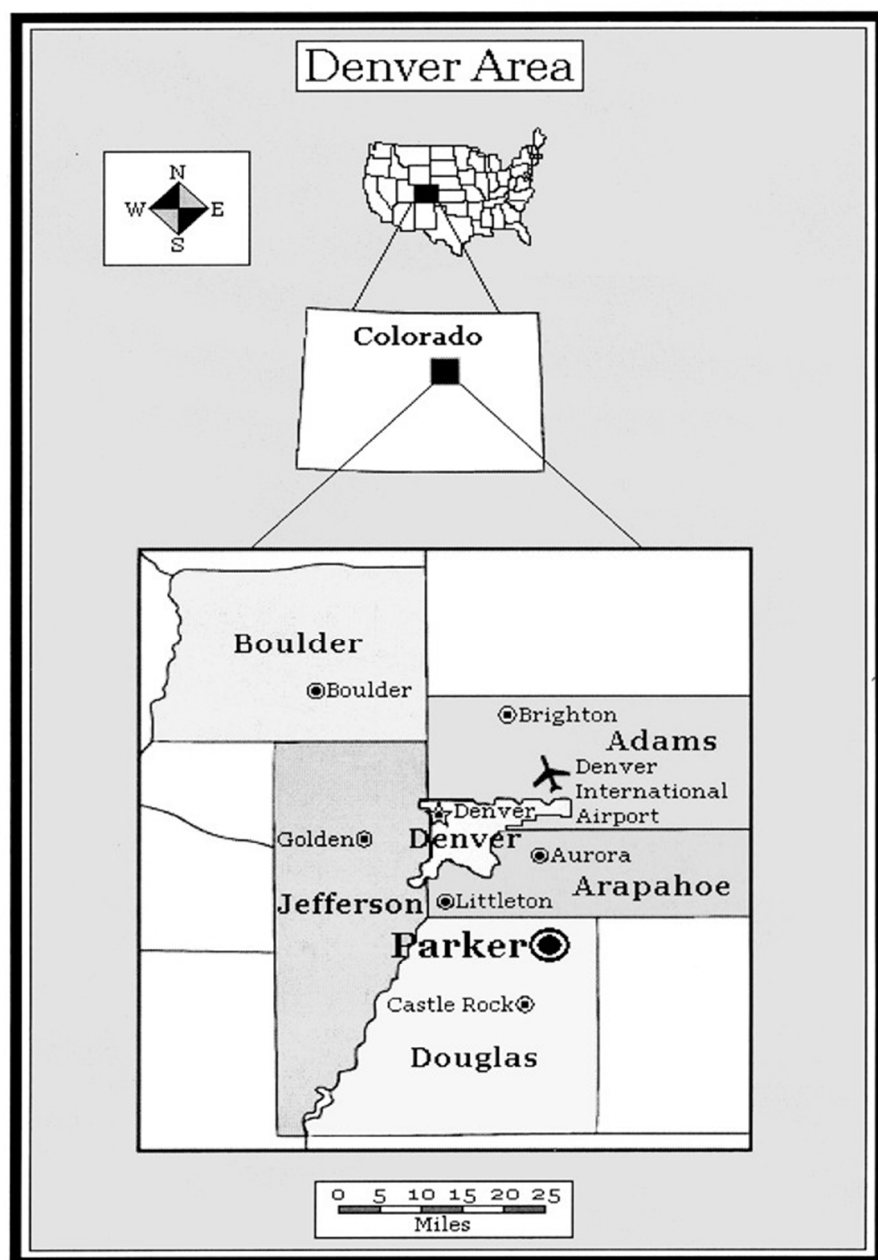
Deputy Town Administrator Bo Martinez
Town ClerkChris Vanderpool
Community DevelopmentJohn Fussa
Cultural Carrie Glassburn
Finance Mary Lou Brown
Human ResourcesAmber Moreno
Parks and Recreation.....Mary Colton
Police ChiefJames Tsurapas
Public Works and Engineering Thomas Williams



TOWN OF PARKER

Douglas County, Colorado Location Map

Prepared by:
Town of Parker
Geographic Information System



Independent Auditor's Report

To the Town Council
Town of Parker, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Parker, 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, each major fund, and the aggregate remaining fund information of the Town as of December 31, 2021 and the respective changes in its 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.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the 2020 basic financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for 12 months beyond the financial statements 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.

To the Town Council
Town of Parker, Colorado

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 Supplemental Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and other required supplemental information, as identified in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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 supplemental 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.

Supplemental 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 other supplemental information, as identified in the table of contents, is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplemental information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Information

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

To the Town Council
Town of Parker, Colorado

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

Plante & Moran, PLLC

June 13, 2022



MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Parker (Town), we offer the readers of these financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2021. We encourage readers to consider the information presented, along with additional information provided in the letter of transmittal (beginning on page i) when reviewing the financial statements, which begin on page 17.

FINANCIAL HIGHLIGHTS

- At the end of 2021, the value of the Town's total net position was \$559.1 million. Of this net position amount, \$93.4 million is unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position decreased by \$178.5 million in 2021. This decrease came primarily from the prior period adjustment of approximately \$227.3 million to correct a misstatement resulting from the valuation of intangibles with indefinite useful lives when the Town implemented GASB Statement No 51, *Accounting and Financial Reporting for Intangible Assets* in 2010. Without the restatement, net position would have increased \$48.8 million. This increase is due to the increase in sales and use tax, excise tax, and a conservative approach to operating expenditures.
- Sales and use tax in the General Fund increased 17.7 percent. Sales tax is the Town's largest revenue source and is 72.7 percent of the total General Fund revenue.
- The Town reduced its total outstanding debt by \$4,270,000 in 2021 leaving a balance of \$60,875,000 at year end, down from \$65,145,000 outstanding at the end of 2020. Outstanding debt at the end of 2021 consists of \$4,210,000 in a refunding note (issued to refund the 2006 sales and use tax revenue bonds), \$19,625,000 in tax increment revenue loans (issued for Cottonwood and Parker Central Urban Renewal projects), \$22,955,000 in a refunding of certificates of participation (issued to fully refund the Series 2009 certificates of participation that were issued to construct the Police Station and PACE Center) and \$14,085,000 in certificates of participation (issued to construct the Public Works Facility and expansion of the Recreation Center).
- At the end of 2021, the Town's governmental funds reported combined fund balances of \$159.2 million, an increase of \$29.4 million from the prior year. This combined increase in fund balance is the result of increased revenues related to taxes and charges for services compared to 2020.
- At the end of 2021, the unassigned fund balance of the General Fund was \$21.3 million, which is 45.8 percent of total General Fund expenditures. The Town's fund balance policy for 2021 requires a minimum working reserve balance of no less than 25 percent of the current fiscal year's operating expenditures, including transfers. The ratio at the end of 2021 was 26.6 percent.
- Major capital asset events that occurred in 2021 include \$9.0 million for the Cottonwood Road and bridge widening project, \$1.3 million for the construction of a sidewalk along Parker Road, \$0.8 million for improvements on the southwest corner of Parker Road and Mainstreet, \$2.0 million for the East-West trail undercrossing at Jordan Road, and \$0.4 million for work on the High Plains Trail Construction.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements

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

The statement of net position presents information on all of the Town's assets, liabilities, and deferred inflows/outflows 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 year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future period (e.g. uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements differentiate functions of the Town that are primarily supported by taxes and intergovernmental revenues (governmental activities) from those 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; highways and streets; economic development; and culture and recreation. The business-type activity of the Town is its stormwater utility function.

The government-wide financial statements include the Town itself and blended component units: the Parker Authority for Reinvestment (P3) and the Greater Parker Foundation (GPF). These component units, although legally separate, are included as a part of the financial statements since the Town has financial accountability for these entities and appoints the board members.

The government-wide financial statements can be found on pages 17 and 18 of this report.

Fund financial statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the 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 that are 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 year. Such 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 Town's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains 21 individual governmental funds. Information is presented separately in the governmental funds balance sheets and in the governmental funds statements of revenues, expenditures and changes in fund balances for the General Fund; Cultural, Parks and Recreation, and Parker Authority for Reinvestment special revenue funds; and the Public Improvements and Capital Renewal and Replacement capital improvement funds; all of which are considered to be major funds. Data from the 15 other governmental funds are aggregated into a single “nonmajor funds” column. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 19-23 of this report.

The Town adopts an annual appropriated budget for all funds. To demonstrate compliance, a budgetary comparison statement is provided for the governmental funds statements of revenues, expenditures and changes in fund balances for the General Fund, Cultural Fund, Parks and Recreation Fund, and Parker Authority for Reinvestment Fund. Similar budgetary compliance schedules are provided for the other funds elsewhere in this report.

Proprietary funds. The Town maintains two types of proprietary funds. Enterprise funds are used to report the same functions as presented in the business-type activities in the government-wide financial statements. The Town uses an enterprise fund to account for the stormwater utility function. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. The Town uses internal service funds to account for fleet services, technology management, facility services and medical benefits. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide information on the Stormwater Utility enterprise fund. The internal service funds are aggregated into a single column presentation. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

The basic proprietary fund financial statements can be found on pages 24-27 of this report.

Notes to the 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 can be found on pages 28-53 of this report.

Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplemental information concerning budgetary reporting and the net pension liability (asset) and related contributions. These schedules can be found on pages 54-61 of this report.

Other information

Additional budgetary comparison schedules and the combining statements referred to earlier in connection with non-major governmental funds and internal service funds are presented immediately following the notes to the financial statements. Combining and individual fund statements and schedules can be found on pages 62-90 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of the Town's financial position. The two tables below reflect the Town's net position and the changes in net position. Table 1 - Net Position illustrates the Town's total assets, deferred outflow of resources, liabilities, and deferred inflows of resources and resulting net position (assets and deferred outflows minus liabilities and deferred inflows of resources) at the end of 2021 with a comparison to 2020. As of December 31, 2021, the Town had total assets of \$676 million compared to \$629 million in 2020 and at the end of 2021, the value of the Town's total net position was \$859 million greater than the Town's total liabilities and deferred inflows of resources (net position).

Table 1. Net Position
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	\$216,864	\$186,074	\$ 5,371	\$ 10,741	\$222,235	\$196,815
Capital assets	426,318	646,455	27,249	15,708	453,567	662,163
Total assets	643,182	832,529	32,620	26,449	675,802	858,978
Total deferred outflows of resources	3,178	3,481	-	-	3,178	3,481
Long-term liabilities outstanding	67,870	73,797	56	72	67,926	73,869
Other liabilities	42,331	47,673	190	183	42,521	47,856
Total liabilities	110,201	121,470	246	255	110,447	121,725
Total deferred inflows of resources	9,474	3,216	-	-	9,474	3,216
Net position:						
Net investment in capital assets	373,437	576,443	27,249	15,708	400,686	592,151
Restricted	65,017	72,675	-	2,137	65,016	74,812
Unrestricted	88,230	62,205	5,125	8,349	93,355	70,554
Total net position	\$526,684	\$711,323	\$ 32,374	\$ 26,194	\$559,057	\$737,517

By far, the largest portion of the Town's assets is capital assets, which total \$454 million or 66.0 percent of total assets.

Capital assets include items such as infrastructure, buildings, machinery and equipment, land and intangible assets. Infrastructure includes streets, curb, gutter and sidewalks, traffic signals, stormwater structures and trails. Intangible assets include rights-of-way and easements, which are related to Town streets and stormwater infrastructure. The Town uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Additionally, although the Town's investment in 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. Additional information on the Town's assets can be found in the Notes to the Financial Statements, which start on page 28.

The Town's outstanding long-term debt, which consists of 2019 refunding certificates of participation issued to refund the 2009 certificates of participation issued to construct the police station and PACE Center, 2014 certificates of participation, originally issued to construct the public works facility and recreation center expansion, 2020 tax increment revenue loans for Cottonwood and Parker Central Urban Renewal projects, and 2015 sales and use tax revenue refunding note issued to refund the 2006 sales and use tax revenue bonds, was decreased by \$4.3 million. Additionally, of the Town's \$559.1 million in net position, \$65.0 million or 11.6 percent represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$93.4 million or 16.7 percent, may be used to meet the Town's ongoing obligations to citizens and creditors.

Governmental Activities

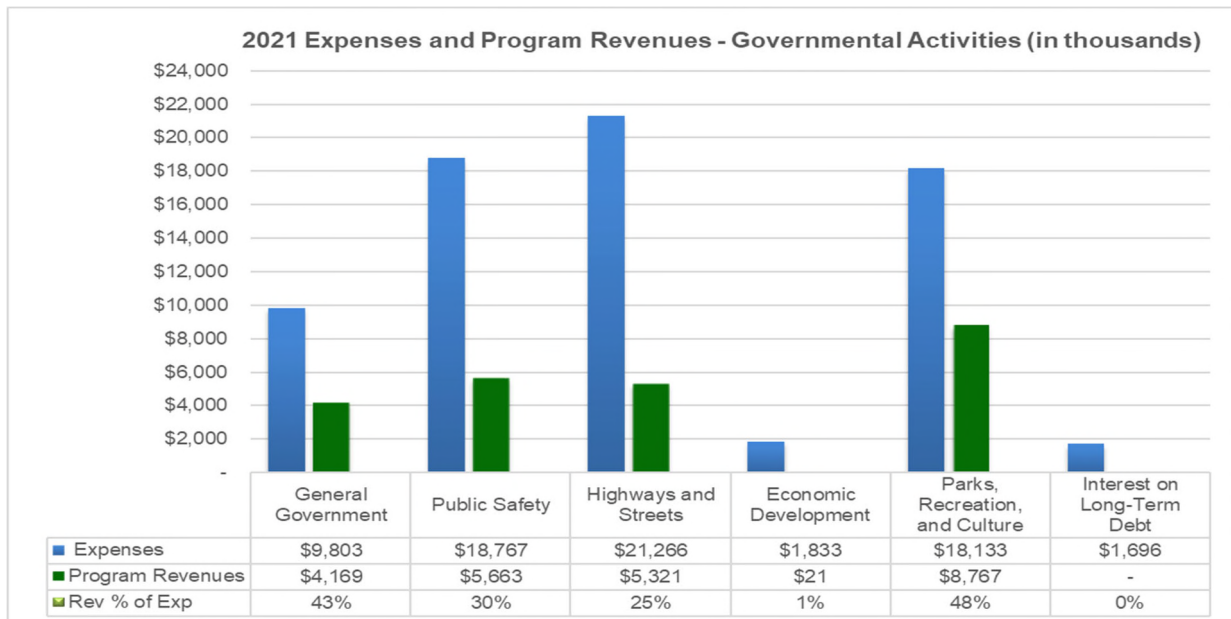
Table 2 - Changes in Net Position (below), illustrates total Town revenues and expenses in 2021 compared to 2020 for Governmental Activities and Business-type Activities. Total governmental activities revenues increased approximately \$11.5 million from \$102.5 million in 2020 to \$114.0 million in 2021. Capital grants and contributions decreased \$10.1 million in 2021 compared to 2020. Capital contributions consist primarily of developer-dedicated infrastructure and this can vary substantially from year to year depending on the amount of developer-constructed infrastructure completed in any given year.

Sales and use tax revenue increased \$9.8 million and charges for services increased \$5.1 million. Total governmental activities expenses increased \$2.6 million from \$68.9 million in 2020 to \$71.5 million in 2021. Most of the increase is related to parks, recreation and culture, general government and public safety.

Beginning net position in the governmental activities was restated by reducing capital assets approximately \$227 million to correct a misstatement from implementation of GASB Statement No 51, *Accounting and Financial Reporting for Intangible Assets* in the 2010 ACFR. The assets were calculated with 2010 contemporary valuation instead of historical cost, which caused an overstatement for easements and right of ways. GASB Statement No 51 allowed entities to value intangibles on a going forward basis.

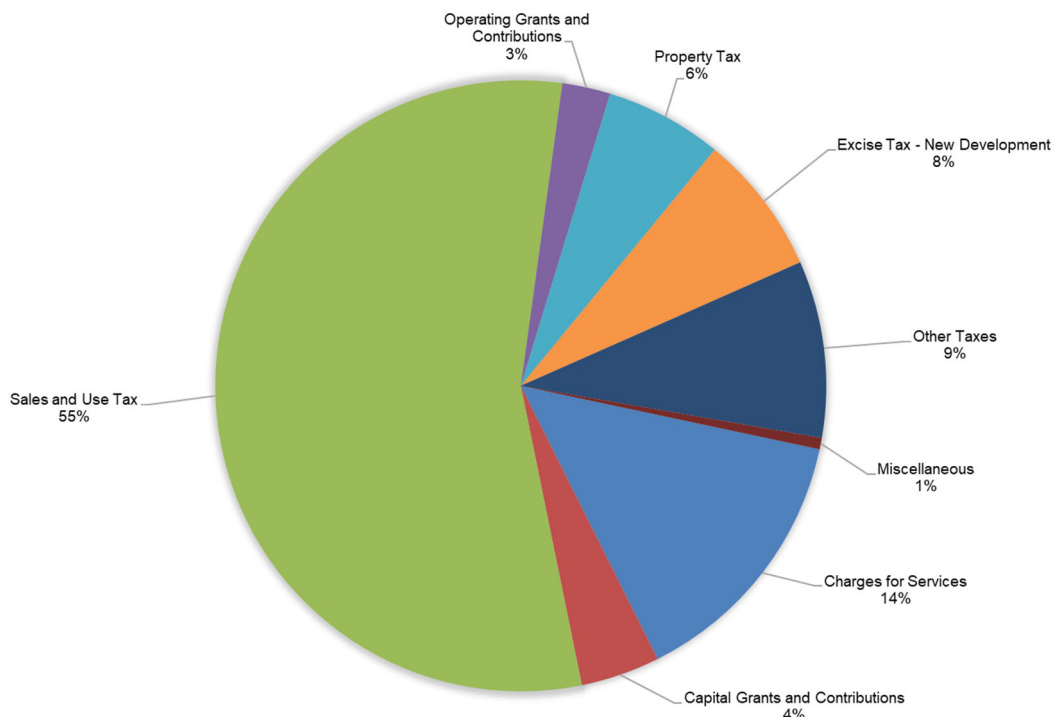
**Table 2. Changes in Net Position
in Thousands**

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues						
Program revenues						
Charges for services	\$ 16,265	\$ 11,124	\$ 2,934	\$ 2,678	\$ 19,199	\$ 13,802
Operating grants and contributions	2,903	6,078	-	-	2,903	6,078
Capital grants and contributions	4,773	14,840	5,611	6,197	10,384	21,037
General revenues						
Taxes						
Sales and use	63,116	53,284	-	-	63,116	53,284
Property	7,089	2,535	-	-	7,089	2,535
Excise taxes – new development	8,469	4,922	-	-	8,469	4,922
Other Taxes	10,659	7,949	-	-	10,659	7,949
Lottery proceeds	602	494	-	-	602	494
Other miscellaneous income	93	179	-	-	93	179
Unrestricted investment income (loss)	(7)	1,048	1	65	(6)	1,113
Total revenues	113,962	102,453	8,546	8,940	122,508	111,393
Expenses						
General government	9,803	8,368	-	-	9,803	8,368
Public safety	18,767	17,922	-	-	18,767	17,922
Highways and streets	21,266	21,063	-	-	21,266	21,063
Economic development	1,833	2,552	-	-	1,833	2,552
Parks, recreation and culture	18,133	16,739	-	-	18,133	16,739
Interest on long-term debt	1,696	2,230	-	-	1,696	2,230
Stormwater	-	-	2,180	1,510	2,180	1,510
Total expenses	71,498	68,874	2,180	1,510	73,678	70,383
Excess/Deficiency of revenues over expenditures	42,464	33,579	6,366	7,430	48,830	41,010
Contributions and transfers in / (transfers out)						
Transfers in / (transfers out)	185	471	(185)	(471)	-	-
Total contributions and transfers	185	471	(185)	(471)	-	-
Increase in net position	42,649	34,050	6,181	6,959	48,830	41,010
Net position – beginning	711,323	677,273	26,195	19,236	737,519	696,509
Prior Period Adjustment	(227,288)	-	-	-	(227,288)	-
Net Position as Restated	484,035	677,273	26,195	19,236	510,230	696,509
Net position – ending	\$526,684	\$711,323	\$ 32,376	\$ 26,195	\$559,061	\$737,519



The above chart illustrates the extent to which the governmental activity functions are covered by program revenues: user charges, grants and contributions. As with most governments, the majority of the services provided to citizens are funded through various taxes and not program revenues. The above chart shows the primary sources of revenues that are used to finance governmental activities. As indicated, sales and use taxes are the primary source of revenue for the Town, accounting for 55 percent of the revenues in 2021. Property tax, on the other hand, represented only 6 percent of the Town's funding. Capital grants and contributions represented 4 percent of the revenue in 2021; however, as stated before, this is primarily developer-donated infrastructure that can vary widely from year to year.

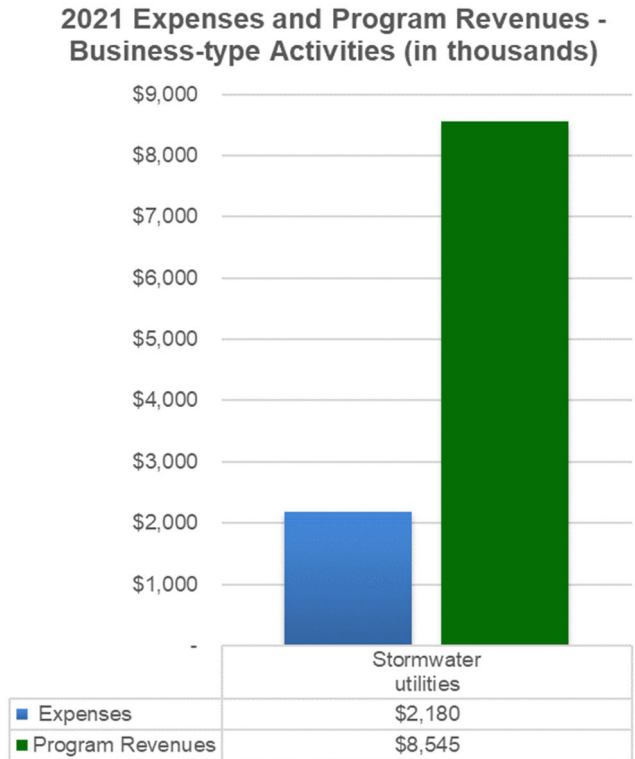
2021 Revenues by Source - Governmental Activities



Business-type Activities

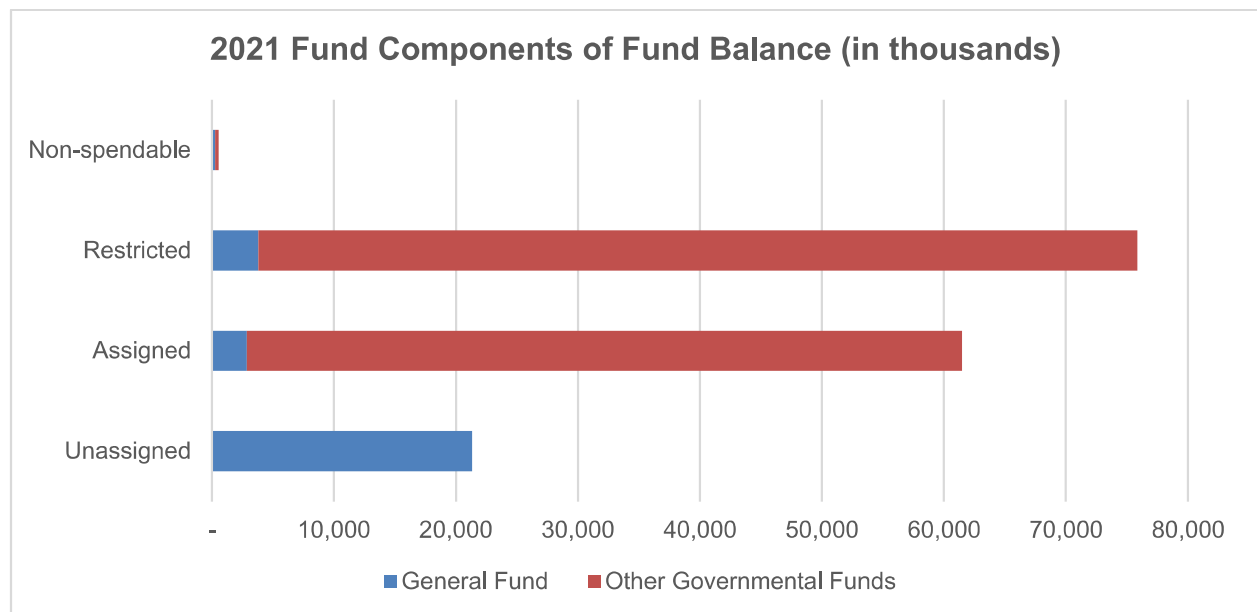
The Town's only business-type activity is stormwater management. As seen in Table 2 (page 9), Stormwater Utility Fund net position increased \$6.2 million. Overall revenues decreased 4.4 percent or \$394 thousand. The decrease is related to a decrease in capital contributions. Expenditures increased 44.4 percent or \$670 thousand.

Stormwater revenues exceeded expenses for 2021, adding to the funds available for future infrastructure improvements and increasing repair and maintenance costs. Operating expenses are funded entirely by stormwater utility fees charged to residential and commercial property based on their impervious area.



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

The following discussion narrows the focus from government-wide activities to the Town's governmental funds. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.



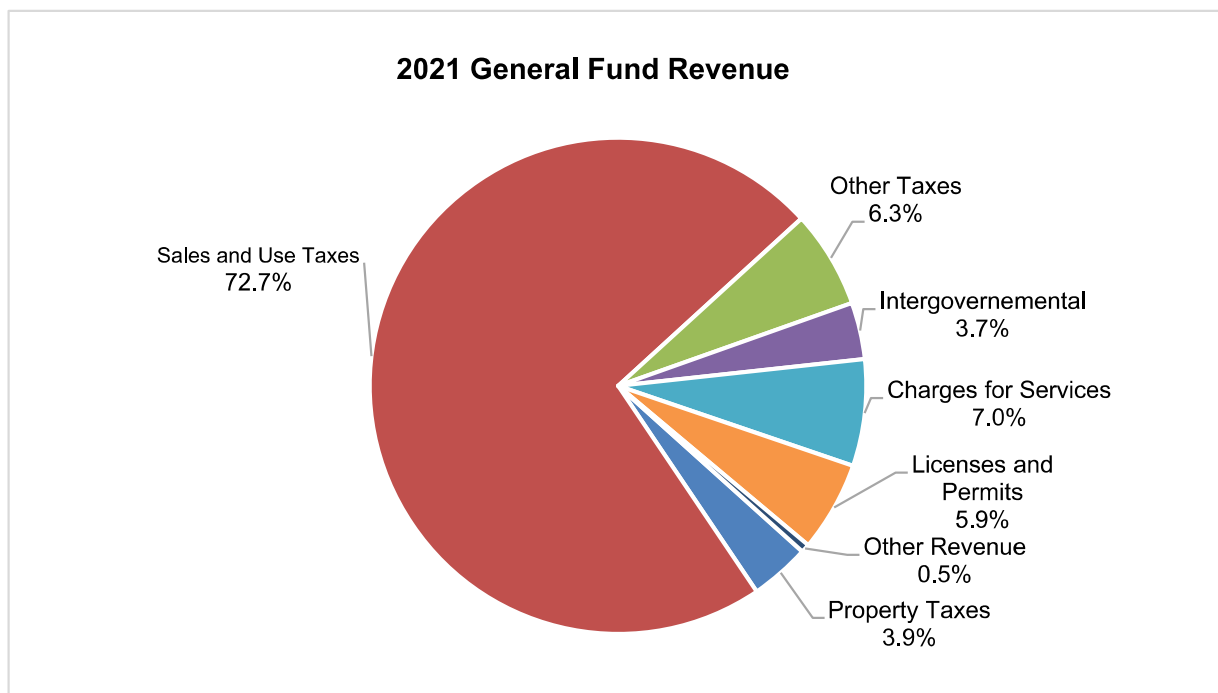
Governmental funds

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 the Town's net resources available for discretionary use. As such, it represents the portion of fund balance which has not yet been limited to use for a particular purpose by either an external party, the Town itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the Town Council.

At the end of 2021, the Town's governmental funds reported combined fund balances of \$159.2 million, an increase of \$29.4 million in comparison to the prior year. Approximately 13.4 percent of this amount (\$21.3 million) constitutes unassigned fund balance, which is available for spending at the Town's discretion. The remainder of the fund balance is either nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form (\$0.5 million), 2) restricted for particular purposes (\$75.9 million), or 3) assigned for particular purposes (\$61.5 million).

General Fund. The General Fund is the chief operating fund of the Town. At the end of 2021, unassigned fund balance of the general fund was \$21.3 million, while total fund balance was \$28.2 million. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 26.6 percent of total General Fund expenditures (including transfers), while total fund balance represents approximately 35.2 percent of the same amount.

The fund balance of the General Fund decreased \$12.1 million in 2021. Revenues increased \$7.8 million in 2021, primarily due to the increase in sales and use tax. Total expenditures, including transfers, increased \$32.1 million specifically due to a transfer out of to the Capital Renewal and Replacement Fund for future Town facilities expansions. Unassigned fund balance in the General Fund, which is neither restricted nor non-spendable, is 26.6 percent of expenditures. The Town's policy is the fund balance must maintain three months of expenditures or a 25.0 percent ratio between total fund balance and total General Fund expenditures, including transfers out.



The above chart illustrates the percentage of each type of revenue the General Fund receives during the year. Taxes were the largest source of revenue at 82.9 percent of total General Fund revenues. Sales and use tax, which increased 17.8 percent from 2020, makes up 87.7 percent of those taxes, as well as 72.7 percent of the total General Fund revenue.

Cultural Fund. The Cultural Fund accounts for the operations of the PACE Center and Schoolhouse. It is classified as a major fund for the Scientific Cultural Facilities District (SCFD) Tier II grant requirements. The fund ended the current year with a total fund balance of \$1.2 million, consisting of \$0.2 million of nonspendable fund balance for prepaid items such as future year marketing and deposits for major productions, and \$0.9 million of assigned fund balance. Fund balance increased \$61.5 thousand when comparing 2020 to 2021 due to an increase in charges for services when compared to 2020. The Cultural Fund remains in recovery from closures in 2020 and early 2021 due to the COVID-19 pandemic.

Parks and Recreation Fund. The Parks and Recreation Fund, a major fund, ended the current year with a total fund balance of \$19.5 million restricted fund balance. The restriction of fund balance is for the 0.50 percent sales tax that was voted on by the Town's citizens in 1990 to be earmarked for parks and recreation improvements. Fund balance increased \$3.2 million when comparing 2020 to 2021 due to increased sales tax collections and increased capital contributions compared to 2020.

Parker Authority for Reinvestment Fund. The Parker Authority for Reinvestment Fund, also a major fund, ended the current year with a total restricted fund balance of \$7.3 million. The restriction of fund balance is from tax increment financing revenue that is earmarked for economic development within the three urban renewal areas. Fund balance increased by \$1.8 million primarily due to an increase in tax increment financing revenue.

Public Improvements Fund. The Public Improvements Fund, also a major fund, ended the current year with a total fund balance of \$50.8 million, consisting of \$24.0 million restricted fund balance and \$26.8 million assigned fund balance. Restricted fund balance consists primarily of funds received from developers for various future streets capital projects. Fund balance, which can increase or decrease significantly in this fund depending on the level of capital projects planned in a given year, decreased \$1.2 million.

Capital Renewal and Replacement Fund. The Capital Renewal and Replacement Fund, a major fund, ended the current year with a total assigned fund balance of \$30.9 million. The fund was created in 2021 and accounts for funds that are transferred in from other funds, which can be used to fill budgetary gaps related to the renewal and/or replacement of aging equipment, facilities and other types of assets or other similar type of future needs.

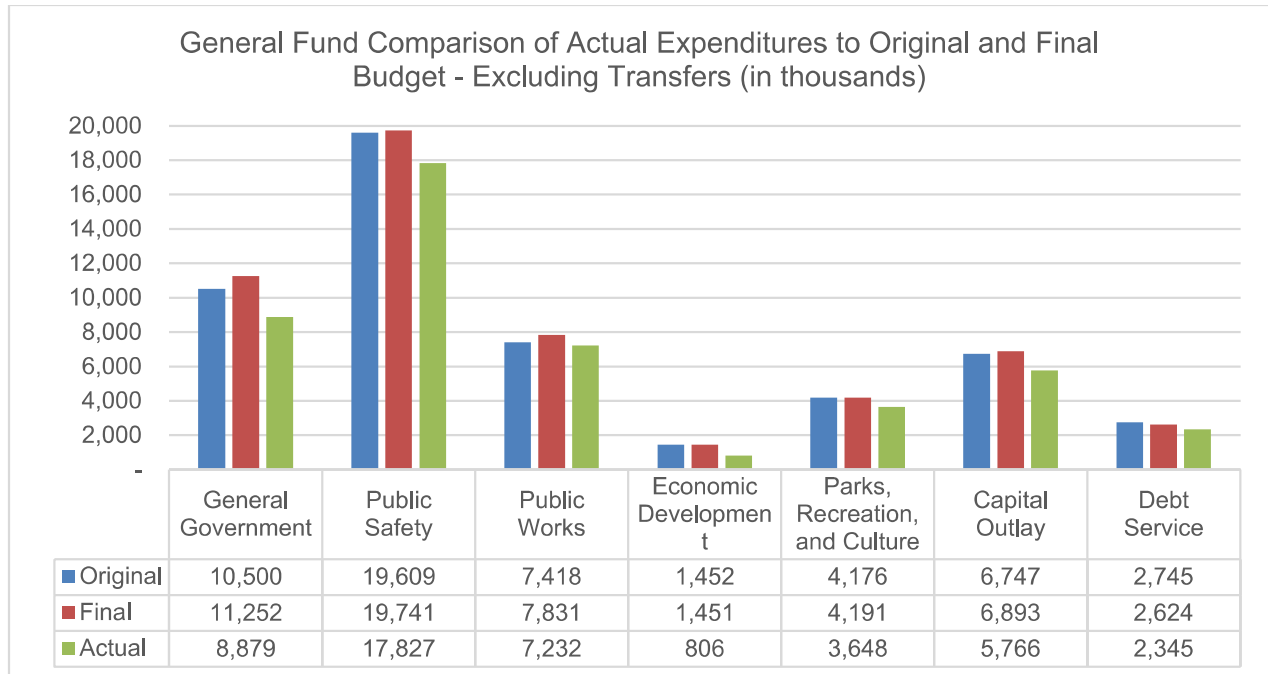
Proprietary funds

The Town's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the proprietary stormwater fund have already been discussed above in the Town's business-type activities section.

GENERAL FUND BUDGETARY HIGHLIGHTS

In 2021, the General Fund's original budgeted expenditures and other financing uses of \$65.2 million increased \$20.8 million (32.0 percent) to a final amended budget of \$86.0 million. The increase is primarily due to the transfer of \$19.4 million to the Capital Renewal and Replacement Fund.

A total of \$78.5 million was actually spent compared to a final budget of \$86.0 million. Of the \$7.5 million budget-to-actual variance, \$1.1 million will be re-appropriated in 2022 for unfinished projects and purchases; the remaining variance is attributed to unspent budget contingency and other line items coming in under budget. The chart below shows a summary of the year's overall increases in the budget and budget-to-actual variances, comparing the 2021 original and final budgets to actual expenditures.



CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

Table 3 illustrates the Town's capital assets (net of depreciation). At the end of 2021, the Town had \$453.6 million (net of accumulated depreciation) invested in a broad range of capital assets including equipment, buildings, parks and recreation facilities, roads, bridges and stormwater facilities. This amount represents a total net decrease of \$209.0 million (31.5 percent) less than last year due the prior period adjustment of intangible assets.

Major capital asset events that occurred during the current year include the following:

- \$9.0 million for the Cottonwood Road and bridge widening project.
- \$1.3 million towards the construction of a sidewalk along Parker Road
- \$0.8 million for improvements to the southwest corner of Parker Road and Mainstreet.
- \$2.0 million for the East-West trail undercrossing at Jordan Road
- \$0.4 million for work on the High Plains Trail Construction.

Additional information on the Town's capital assets can be found in Note 4 to the financial statements on pages 40-41 of this report.

Table 3. Town Capital Assets (net of depreciation)
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	\$ 93,955	\$ 93,886	-	-	\$ 93,955	\$ 93,886
Intangible assets	29,745	257,583	-	-	29,745	257,583
Construction in progress	18,362	6,615	6,785	6,585	25,146	13,200
Buildings	65,403	67,898	-	-	65,403	67,898
Improvements other than buildings	41,027	42,927	-	-	41,027	42,927
Machinery and equipment	6,923	6,628	135	162	7,058	6,791
Infrastructure	170,903	170,918	20,329	8,961	191,233	179,878
Total	\$ 426,318	\$ 646,455	\$ 27,249	\$ 15,708	\$ 453,567	\$ 662,164

Long-term Debt

At the end of 2021, the Town had total outstanding debt of \$60,875,000 (not including premium), down from \$65,145,000 outstanding at the end of 2020. This outstanding debt consists of \$4,210,000 in a refunding note with pledged sales and use tax revenue for repayment, \$19,625,000 in tax increment revenue loans for Cottonwood and Parker Central Urban Renewal projects, \$22,955,000 in refunding certificates of participation, in which the Police Station serves as collateral and \$14,085,000 in certificates of participation, in which the public works facility and Town Hall serve as collateral. All outstanding debt is related to governmental activities; no debt has been issued for business-type activities.

The Town's total debt decreased \$4,270,000 during the current fiscal year due to principal payments of \$995,000 on the 2015 refunding note of the 2006 sales and use tax bonds, \$1,310,000 on the tax increment revenue loans, \$825,000 on the 2014 Certificates of Participation, and \$1,140,000 on the 2019 Certificates of Participation.

Town Outstanding Debt

	2021	2020
Sales and Use Revenue Refunding Note Series 2015	4,210,000	5,205,000
Tax Increment Revenue Loan 2020 A-1	12,025,000	12,855,000
Tax Increment Revenue Loan 2020 A-2	7,600,000	8,080,000
Certificates of Participation, Series 2014	14,085,000	14,910,000
Certificates of Participation, Series 2019	22,955,000	24,095,000
Total	<u>60,875,000</u>	<u>65,145,000</u>

The Town does not have any limitations on the amount of debt that may be issued; however, there is a requirement to have an affirmative vote of the citizens to authorize any debt issuance. Certificates of participation are not considered long-term debt for legal purposes because payments are subject to annual appropriation; therefore, they do not require voter approval for issuance.

In the November, 2001 election, the Town received the authorization by voters to issue \$12.5 million of general obligation bonds for the purpose of acquisition of open space and parks land. This has not been utilized.

The Town maintains an AA credit rating from Standard & Poor's for the 2014 Certificates of Participation and 2019 Certificates of Participation.

Note 6 to the financial statements on page 43 of this report presents more detailed information about the debt position of the Town.

Economic Factors and the 2021 Budget

The local economy continues to grow as evidenced by the growth in sales tax revenue of 17.8 percent. The Town's sales tax growth rate has been strong. Based on the historical growth levels, the 2021 sales tax revenue was budgeted for 3 percent growth compared to 2020 projections. The sales tax budget was increased \$6.0 million in November due to strong collections during the year. Actual revenue came in 5.5 percent higher than the amended budget.

Growth in sales tax collections remained strong throughout the entire year. Growth in collections of the two largest categories, groceries and general merchandise, was expected to slow as people returned to work and shopped outside of Parker, but continued uncertainty surrounding COVID-19 delayed a full return to work for many workers. Growth in grocery tax collections did drop off in the fourth quarter, but general merchandise tax collections did not. Inflation, Town growth and continued stimulus in the form of expanded child tax credit payments probably had an impact on collections. The third largest category, restaurants, also saw full recovery from the pandemic as they were open all year with minimal restrictions. While the Town's physical districts reflect some growth, the largest increase in collections was from outside remitters.

Sales tax remittances from e-commerce businesses without a physical location in the Town have continued to increase. The total amount of sales tax from these businesses exceeded \$2.9 million in 2021, which was an increase of approximately 83.0 percent when compared to 2020.

Finally, inflation is a double-edged sword that increases the Town's costs even as it brings in more tax revenue. Conservative revenue estimates are a hedge against inflation because they discourage unnecessary expenditure growth. For these reasons, 17.8 percent growth is considered unsustainable for 2022. Instead, growth of 6.0 percent was budgeted to accommodate the Town's growing population.

The 2022 budget is balanced in all funds, maintains appropriate reserves and continues to position the Town for continued long-term financial health. In addition, the budget includes funding to accomplish long-term strategic Town goals.

CONTACTING THE TOWN FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with an overview of the Town's finances and to show the Town's accountability for the revenue it receives. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the Finance Director at 20120 E. Mainstreet, Parker, Colorado 80138, 303.841.0353 or at finance@parkeronline.

Town of Parker, Colorado

Statement of Net Position

December 31, 2021

	Governmental Activities	Business-type Activities	Total
Assets			
Equity in pooled cash and investments (Note 3)	\$ 174,999,326	\$ 5,162,871	\$ 180,162,197
Cash and investments (Note 3)	8,881,048	-	8,881,048
Receivables:			
Property taxes receivable	7,669,431	-	7,669,431
Sales tax receivable	6,523,346	-	6,523,346
Customer receivables	363,912	-	363,912
Accrued interest receivable	51,047	1,815	52,862
Accounts receivable	590,762	200,028	790,790
Due from other governments	2,092,596	-	2,092,596
Inventory	52,364	-	52,364
Prepaid items	603,785	6,462	610,247
Prepaid water credits	1,105,355	-	1,105,355
Restricted assets:			
Investments held in escrow by trustee	16	-	16
Restricted other assets	12,206,031	-	12,206,031
Net pension asset (Note 7)	1,725,057	-	1,725,057
Capital assets: (Note 4)			
Assets not subject to depreciation	141,795,233	6,784,746	148,579,979
Assets subject to depreciation - Net	284,522,369	20,464,086	304,986,455
Total assets	643,181,678	32,620,008	675,801,686
Deferred Outflows of Resources - Deferred pension costs (Note 7)	3,177,572	-	3,177,572
Liabilities			
Accounts payable	4,330,252	44,612	4,374,864
Due to other governmental units	215,906	-	215,906
Refundable deposits and bonds	34,614,549	120,202	34,734,751
Accrued liabilities and other	1,738,367	25,456	1,763,823
Unearned revenue	1,432,360	-	1,432,360
Noncurrent liabilities:			
Due within one year:			
Compensated absences (Note 6)	1,391,452	27,783	1,419,235
Current portion of bonds payable and certificates of participation (Note 6)	4,888,744	-	4,888,744
Due in more than one year:			
Compensated absences (Note 6)	1,391,452	27,783	1,419,235
Bonds payable and certificates of participation - Net of current portion (Note 6)	60,198,210	-	60,198,210
Total liabilities	110,201,292	245,836	110,447,128
Deferred Inflows of Resources			
Property taxes levied for the following year	7,669,431	-	7,669,431
Deferred pension cost reductions (Note 7)	1,804,694	-	1,804,694
Total deferred inflows of resources	9,474,125	-	9,474,125
Net Position			
Net investment in capital assets	373,436,679	27,248,832	400,685,511
Restricted:			
Emergencies	3,148,404	-	3,148,404
Parks, recreation, and open space purposes	22,276,742	-	22,276,742
Law enforcement purposes	86,592	-	86,592
Cultural	1,322,602	-	1,322,602
Highways and streets capital projects	30,894,674	-	30,894,674
Economic development	7,259,504	-	7,259,504
Town facilities and equipment	29,078	-	29,078
Debt service	16	-	16
Unrestricted	88,229,542	5,125,340	93,354,882
Total net position	\$ 526,683,833	\$ 32,374,172	\$ 559,058,005

Statement of Activities

Year Ended December 31, 2021

Functions/Programs	Net (Expense) Revenue and Changes in Net Position					
	Expenses	Charges for Services	Program Revenue		Primary Government	
			Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Primary government:						
Business-type activities						
Total primary government						
General revenue:						
Taxes:						
Total general revenue						
Transfers						
Change in Net Position						
Net Position - Beginning of year, as restated (Note 1)						
Net Position - End of year						

Town of Parker, Colorado

Governmental Funds Balance Sheet

December 31, 2021

	General Fund	Cultural Fund	Parks and Recreation Fund	Public Improvements Fund	Parker Authority for Reinvestment Fund	Capital Renewal and Replacement Fund	Nonmajor Funds	Total Governmental Funds
Assets								
Equity in pooled cash and investments (Note 3)	\$ 37,915,408	\$ 1,678,105	\$ 18,463,506	\$ 58,296,367	\$ -	\$ 30,870,872	\$ 22,312,089	\$169,536,347
Cash and investments	48,096	3,200	-	329,473	8,054,894	-	389,560	8,825,223
Receivables:								
Property taxes receivable	2,699,360	-	-	-	4,970,071	-	-	7,669,431
Sales tax receivable	5,438,495	-	1,084,851	-	-	-	-	6,523,346
Customer receivables	-	24,555	-	-	-	-	339,357	363,912
Accrued interest receivable	14,326	556	6,541	19,351	-	554	7,799	49,127
Accounts receivable	546,247	-	118	35,795	-	-	21	582,181
Due from other governments	637,302	130,971	-	1,312,792	-	-	3,972	2,085,037
Due from other funds	722,431	-	-	-	-	-	-	722,431
Advances to other funds (Note 5)	50,000	-	-	-	-	-	-	50,000
Prepaid items	217,117	244,337	90	-	-	-	29,414	490,958
Restricted assets:								
Investments held in escrow by trustee	9	-	-	7	-	-	-	16
Restricted other assets	-	-	-	12,206,031	-	-	-	12,206,031
Total assets	\$ 48,288,791	\$ 2,081,724	\$ 19,555,106	\$ 72,199,816	\$ 13,024,965	\$ 30,871,426	\$ 23,082,212	\$209,104,040
Liabilities								
Accounts payable	\$ 1,058,688	\$ 47,440	\$ 55,515	\$ 2,219,615	\$ 22,959	\$ -	\$ 610,223	\$ 4,014,440
Due to other governmental units	209,310	5,711	-	-	-	-	885	215,906
Due to other funds	-	-	-	-	722,431	-	-	722,431
Advances from other funds (Note 5)	-	-	-	-	50,000	-	-	50,000
Refundable deposits and bonds	15,534,205	16,050	-	19,064,294	-	-	-	34,614,549
Accrued liabilities and other	552,905	27,864	33,811	132,332	-	-	313,529	1,060,441
Unearned revenue	-	662,057	6,670	-	-	-	763,633	1,432,360
Total liabilities	17,355,108	759,122	95,996	21,416,241	795,390	-	1,688,270	42,110,127
Deferred Inflows of Resources								
Unavailable revenue	-	130,971	-	-	-	-	-	130,971
Property taxes levied for the following year	2,699,360	-	-	-	4,970,071	-	-	7,669,431
Total deferred inflows of resources	2,699,360	130,971	-	-	4,970,071	-	-	7,800,402
Total liabilities and deferred inflows of resources	20,054,468	890,093	95,996	21,416,241	5,765,461	-	1,688,270	49,910,529

Town of Parker, Colorado

Governmental Funds Balance Sheet (Continued)

December 31, 2021

	General Fund	Cultural Fund	Parks and Recreation Fund	Public Improvements Fund	Parker Authority for Reinvestment Fund	Capital Renewal and Replacement Fund	Nonmajor Funds	Total Governmental Funds
Fund Balances (Note 9)								
Nonspendable:								
Prepays	\$ 217,117	\$ 244,337	\$ 90	\$ -	\$ -	\$ -	\$ 29,414	\$ 490,958
Long-term receivable	50,000	-	-	-	-	-	-	50,000
Restricted:								
Streets, parks, recreation, and facilities	-	-	-	-	-	-	18,598,789	18,598,789
Law enforcement	24,186	-	-	-	-	-	61,354	85,540
Highways and streets	136,627	-	-	23,995,531	-	-	369,758	24,501,916
Debt service	9	-	-	7	-	-	-	16
Emergencies	3,148,404	-	-	-	-	-	-	3,148,404
Town facilities and equipment	-	-	-	-	-	-	29,078	29,078
Parks, recreation, and open space	494,108	-	19,459,020	-	-	-	2,295,162	22,248,290
Economic development	-	-	-	-	7,259,504	-	-	7,259,504
Assigned:								
Subsequent year's budget	2,852,703	-	-	-	-	-	-	2,852,703
Culture	-	947,294	-	-	-	-	-	947,294
Fundraising	-	-	-	-	-	-	10,387	10,387
Highways and streets	-	-	-	26,788,037	-	-	-	26,788,037
Town facilities and equipment	-	-	-	-	-	30,871,426	-	30,871,426
Unassigned	21,311,169	-	-	-	-	-	-	21,311,169
Total fund balances	28,234,323	1,191,631	19,459,110	50,783,575	7,259,504	30,871,426	21,393,942	159,193,511
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 48,288,791</u>	<u>\$ 2,081,724</u>	<u>\$ 19,555,106</u>	<u>\$ 72,199,816</u>	<u>\$ 13,024,965</u>	<u>\$ 30,871,426</u>	<u>\$ 23,082,212</u>	<u>\$209,104,040</u>

Governmental Funds

Reconciliation of the Balance Sheet to the Statement of Net Position

December 31, 2021

Fund Balances Reported in Governmental Funds	\$ 159,193,511
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and are not reported in the funds:	
Cost of capital assets	705,106,315
Accumulated depreciation	<u>(284,055,402)</u>
Net capital assets used in governmental activities	421,050,913
Receivables that are not collected soon after year end are not available to pay for current period expenditures and, therefore, are reported as unavailable revenue in the funds	130,971
Retirement forfeiture funds are not financial resources and are, therefore, not reported in the governmental fund balance sheet	55,825
Bonds payable and lease liabilities are not due and payable in the current period and are not reported in the funds	(65,086,954)
Accrued interest is not due and payable in the current period and is not reported in the funds	(328,134)
Some employee fringe benefits are payable over a long period of years and do not represent a claim on current financial resources; therefore, they are not reported as fund liabilities:	
Employee compensated absences	(2,534,690)
Pension benefits	3,097,935
Water credits held to be exchanged for future water taps used in governmental activities are not financial resources and are, therefore, not reported in the governmental fund balance sheet	1,105,355
Internal service funds are included as part of governmental activities	<u>9,999,101</u>
Net Position of Governmental Activities	<u><u>\$ 526,683,833</u></u>

Town of Parker, Colorado

Governmental Funds Statement of Revenue, Expenditures, and Changes in Fund Balances

Year Ended December 31, 2021

	General Fund	Cultural Fund	Parks and Recreation Fund	Public Improvements Fund	Parker Authority for Reinvestment Fund	Capital Renewal and Replacement Fund	Nonmajor Funds	Total Governmental Funds
Revenue								
Taxes:								
Property taxes	\$ 2,646,111	\$ -	\$ -	\$ -	\$ 4,443,190	\$ -	\$ -	\$ 7,089,301
Sales and use taxes	49,429,311	-	6,396,190	4,453,436	-	-	2,835,504	63,114,441
Excise tax - New development	-	-	-	-	-	-	8,440,405	8,440,405
Other taxes	4,305,484	-	-	-	-	-	-	4,305,484
Intergovernmental	2,521,905	432,137	-	4,861,738	-	-	718,038	8,533,818
Charges for services	4,731,277	1,944,375	2,540	-	-	-	5,054,367	11,732,559
Fines and forfeitures	86,269	-	-	-	-	-	23,691	109,960
Licenses and permits	4,002,622	-	-	-	-	-	-	4,002,622
Net investment earnings (loss)	38,384	(123)	(939)	17,878	-	(58,999)	(2,852)	(6,651)
Other revenue:								
Contributions	176,880	183,119	1,031,698	1,951,533	-	-	22,293	3,365,523
Miscellaneous	69,222	9,012	46,794	59	-	-	14,728	139,815
Total revenue	68,007,465	2,568,520	7,476,283	11,284,644	4,443,190	(58,999)	17,106,174	110,827,277
Expenditures								
Current services:								
General government	8,878,507	-	-	-	-	-	-	8,878,507
Public safety	17,827,184	-	-	-	-	-	127,680	17,954,864
Public works	7,231,789	-	-	57,478	-	-	-	7,289,267
Economic development	805,557	-	-	63,605	964,070	-	-	1,833,232
Parks, recreation, and culture	3,647,537	3,815,795	678,701	-	-	-	7,292,847	15,434,880
Capital outlay	5,766,069	528,852	2,608,027	14,643,488	10,590	-	71,046	23,628,072
Debt service:								
Principal	1,140,000	-	-	-	1,310,000	-	1,820,000	4,270,000
Interest and fiscal charges	1,204,750	-	-	-	323,060	-	702,883	2,230,693
Total expenditures	46,501,393	4,344,647	3,286,728	14,764,571	2,607,720	-	10,014,456	81,519,515
Excess of Revenue Over (Under) Expenditures	21,506,072	(1,776,127)	4,189,555	(3,479,927)	1,835,470	(58,999)	7,091,718	29,307,762
Other Financing Sources (Uses)								
Transfers in	-	1,837,648	575,000	2,250,000	-	30,930,425	2,522,883	38,115,956
Transfers out	(33,623,152)	-	(1,582,560)	-	-	-	(2,825,000)	(38,030,712)
Sale of capital assets	24,090	-	-	-	-	-	-	24,090
Insurance recoveries	3,121	-	-	-	-	-	-	3,121
Total other financing (uses) sources	(33,595,941)	1,837,648	(1,007,560)	2,250,000	-	30,930,425	(302,117)	112,455
Net Change in Fund Balances	(12,089,869)	61,521	3,181,995	(1,229,927)	1,835,470	30,871,426	6,789,601	29,420,217
Fund Balances - Beginning of year	40,324,192	1,130,110	16,277,115	52,013,502	5,424,034	-	14,604,341	129,773,294
Fund Balances - End of year	<u>\$ 28,234,323</u>	<u>\$ 1,191,631</u>	<u>\$ 19,459,110</u>	<u>\$ 50,783,575</u>	<u>\$ 7,259,504</u>	<u>\$ 30,871,426</u>	<u>\$ 21,393,942</u>	<u>\$ 159,193,511</u>

Town of Parker, Colorado

Governmental Funds Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balances to the Statement of Activities

Year Ended December 31, 2021

Net Change in Fund Balance Reported in Governmental Funds	\$ 29,420,217
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, these costs are allocated over their estimated useful lives as depreciation:	
Capital outlay and donated assets	26,671,215
Depreciation expense	(18,604,177)
Net book value of assets disposed of	(1,300,987)
Revenue in the statement of activities that does not provide current financial resources is not reported as revenue in the funds until it is available	21,243
Repayment of bond and certificate of participation principal is an expenditure in the governmental funds but not in the statement of activities (where it reduces long-term debt)	4,270,000
Governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities	516,563
Interest expense is recognized in the government-wide statements as it accrues	18,186
Some employee costs (pension, compensated absences) do not require the use of current financial resources and, therefore are not reported as expenditures in the governmental funds	791,144
Water credits held to be exchanged for future water taps used in governmental activities are not financial resources and, therefore, changes are not reported in the governmental fund statement of revenue, expenditures, and changes in fund balances	12,726
Internal service funds are included as part of governmental activities - All other items	831,935
Change in Net Position of Governmental Activities	<u>\$ 42,648,065</u>

**Proprietary Funds
Statement of Net Position**

December 31, 2021

	Enterprise Funds	Governmental Activities
	Stormwater Utility Fund	Proprietary Internal Service Fund
Assets		
Current assets:		
Equity in pooled cash and investments (Note 3)	\$ 5,162,871	\$ 5,462,979
Receivables:		
Accrued interest receivable	1,815	1,920
Accounts receivable	200,028	8,581
Due from other governments	-	7,559
Inventory	-	52,364
Prepaid expenses	6,462	112,827
Total current assets	5,371,176	5,646,230
Noncurrent assets:		
Capital assets: (Note 4)		
Assets not subject to depreciation	6,784,746	-
Assets subject to depreciation - Net	20,464,086	5,266,689
Total noncurrent assets	27,248,832	5,266,689
Total assets	32,620,008	10,912,919
Liabilities		
Current liabilities:		
Accounts payable	44,612	315,812
Refundable deposits and bonds	120,202	-
Accrued liabilities and other	25,456	349,792
Compensated absences (Note 6)	27,783	124,107
Total current liabilities	218,053	789,711
Noncurrent liabilities - Compensated absences (Note 6)	27,783	124,107
Total liabilities	245,836	913,818
Net Position		
Net investment in capital assets	27,248,832	5,266,689
Unrestricted	5,125,340	4,732,412
Total net position	<u><u>\$ 32,374,172</u></u>	<u><u>\$ 9,999,101</u></u>

Town of Parker, Colorado

Proprietary Funds Statement of Revenue, Expenses, and Changes in Net Position

Year Ended December 31, 2021

	Enterprise Funds	Governmental Activities
	Stormwater Utility Fund	Proprietary Internal Service Fund
Operating Revenue		
Charges for services	\$ 2,931,635	\$ -
Charges to other funds	-	10,791,897
Miscellaneous revenue	2,119	54,036
Total operating revenue	2,933,754	10,845,933
Operating Expenses		
Cost of sales and service	1,806,853	9,171,665
Depreciation	373,488	1,430,797
Total operating expenses	2,180,341	10,602,462
Operating Income	753,413	243,471
Nonoperating Revenue		
Investment income	658	339
Gain (loss) on sale of assets	-	237,345
Total nonoperating revenue	658	237,684
Income - Before capital contributions	754,071	481,155
Capital Contributions	5,611,182	250,780
Transfers In	-	100,000
Transfers Out	(185,244)	-
Change in Net Position	6,180,009	831,935
Net Position - Beginning of year	26,194,163	9,167,166
Net Position - End of year	\$ 32,374,172	\$ 9,999,101

Town of Parker, Colorado

Proprietary Funds Statement of Cash Flows

Year Ended December 31, 2021

	Enterprise Funds	Governmental Activities
	Stormwater Utility Fund	Proprietary Internal Service Fund
Cash Flows from Operating Activities		
Receipts from customers	\$ 3,114,824	\$ -
Receipts from interfund services and reimbursements	-	10,791,897
Payments to suppliers	(528,304)	(2,835,087)
Payments to employees and fringes	(1,285,857)	(6,023,089)
Other (payments) receipts	(108,635)	53,936
Net cash and cash equivalents provided by operating activities	1,192,028	1,987,657
Cash Flows from Noncapital Financing Activities		
Transfers from other funds	-	100,000
Transfers to other funds	(185,244)	-
Net cash and cash equivalents (used in) provided by noncapital financing activities	(185,244)	100,000
Cash Flows from Capital and Related Financing Activities		
Receipt of capital contributions	5,611,182	-
Proceeds from sale of capital assets	-	237,345
Purchase of capital assets	(11,912,630)	(1,539,102)
Net cash and cash equivalents used in capital and related financing activities	(6,301,448)	(1,301,757)
Cash Flows Provided by Investing Activities - Interest received on investments	2,487	47
Net (Decrease) Increase in Cash and Cash Equivalents	(5,292,177)	785,947
Cash and Cash Equivalents - Beginning of year	10,455,048	4,677,032
Cash and Cash Equivalents - End of year	\$ 5,162,871	\$ 5,462,979
Classification of Cash and Cash Equivalents - Equity in pooled cash and investments	\$ 5,162,871	\$ 5,462,979

Town of Parker, Colorado

Proprietary Funds Statement of Cash Flows (Continued)

Year Ended December 31, 2021

	Enterprise Funds	Governmental Activities
	Stormwater Utility Fund	Proprietary Internal Service Fund
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	\$ 753,413	\$ 243,471
Adjustments to reconcile operating income to net cash from operating activities:		
Depreciation	373,488	1,430,797
Changes in assets and liabilities:		
Receivables	72,435	(100)
Prepaid and other assets	3,204	(30,845)
Accounts payable and deposits	(8,049)	82,974
Accrued and other liabilities	(2,463)	261,360
Total adjustments	438,615	1,744,186
Net cash and cash equivalents provided by operating activities	<u><u>\$ 1,192,028</u></u>	<u><u>\$ 1,987,657</u></u>
Significant Noncash Transactions - Contributed assets	\$ -	\$ 250,780

December 31, 2021

Note 1 - Nature of Business and Significant Accounting Policies

Reporting Entity

The Town of Parker, Colorado (the "Town") was incorporated in 1981 as a home rule city, as authorized by Article 20 of the Colorado State Constitution. The Town operates under a council-administrator form of government. The Town provides the following services as authorized by its charter: general government activities (government administration, finance, community development and municipal court); public safety (police and building inspections); highways and streets (public works); economic development (economic development, assistance and incentives); culture and recreation (parks and recreation); and stormwater activities.

The accompanying financial statements present the Town and its blended component units, entities for which the Town is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the Town's operations.

Blended Component Units

The Parker Authority for Reinvestment (P3) was incorporated in 2006 under the Colorado Revised Statutes for the purpose of continued economic redevelopment within the Town. In 2010, the redevelopment area was established under the name of Parker Central Area Reinvestment Plan. The Parker Road Urban Renewal Plan and the Cottonwood Urban Renewal Area Plans were adopted in 2012 and amended in 2015. The purpose of the plans is to eliminate blight in the area by funding new capital projects through tax increment financing, creating public private partnerships with the goal of developing and redeveloping properties, and providing relocation assistance and other financial incentives within the context of the applicable statutes. P3 is presented as a blended component unit because the governing board and the Town Council are substantially the same. Additionally, the Town provides financial support to P3. P3 does not produce separately issued financial statements.

The Greater Parker Foundation (GPF) was incorporated in 2008 as a Colorado nonprofit corporation exclusively for public, charitable, and educational purposes, as described in and contemplated by §501(c)(3) of the Internal Revenue Code of 1986 and, more specifically, exclusively for the benefit of the Town. The GPF is presented as a blended component unit of the Town because it is engaged in fund raising activities that benefit the Town. The GPF does not produce separately issued financial statements. The Town does not legally adopt a budget for GPF.

Accounting and Reporting Principles

The Town follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board. The following is a summary of the significant accounting policies used by the Town:

Fund Accounting

The Town accounts for its various activities in several different funds in order to demonstrate accountability for how it spends certain resources; separate funds allow the Town to show the particular expenditures for which specific revenue is used. The various funds are aggregated into three broad fund types:

Governmental Funds

Governmental funds include all activities that provide general governmental services that are not business-type activities. Governmental funds can include the General Fund, special revenue funds, debt service funds, capital project funds, and permanent funds. The Town reports the following funds as major governmental funds:

- The General Fund is the Town's primary operating fund. It accounts for all financial resources of the Town except those required to be accounted for in another fund.

December 31, 2021

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

- The Cultural special revenue fund accounts for the operations of the Parker Arts, Culture and Events (PACE) Center; the Schoolhouse; and Ruth Chapel and is classified as a major fund for Scientific and Cultural Facilities District (SCFD) Tier II grant requirements.
- The Public Improvements capital project fund accounts for the financing and construction of highways and streets improvements.
- The Parks and Recreation special revenue fund accounts for the revenue collected from a 1/2 percent sales tax, contributions, and accumulated expenditures made for the acquisition and development of parks, open space, and recreational facilities.
- The Parker Authority for Reinvestment Fund accounts for the operations of the Parker Authority for Reinvestment.
- The Capital Renewal and Replacement Fund accounts for the financing and construction of improvements.

Proprietary Funds

Proprietary funds include enterprise funds (which provide goods or services to users in exchange for charges or fees) and internal service funds (which provide goods or services to other funds of the Town). The Town reports the following funds as major enterprise funds:

- The Stormwater Utility Fund accounts for the collection of stormwater fees from residential and commercial property owners in the Town. These fees are used to fund the planning and construction of drainage improvements; the maintenance of storm sewers and detention facilities; and the monitoring and safeguarding of water quality.

The Town's internal service funds account for fleet, technology management, facility services, and health benefits provided to other departments of the Town on a cost-reimbursement basis.

Interfund Activity

During the course of operations, the Town has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Furthermore, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Basis of Accounting

The governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Town has spent its resources.

December 31, 2021

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Town considers amounts collected within 60 days of year end to be available for recognition. Revenue not meeting this definition is classified as a deferred inflow of resources.

Proprietary funds use the economic resources measurement focus and the full accrual basis of accounting. Revenue is recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Report Presentation

Governmental accounting principles require that financial reports include two different perspectives - the government-wide perspective and the fund-based perspective. The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units, as applicable. The government-wide financial statements are presented on the economic resources measurement focus and the full accrual basis of accounting. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The statements also present a schedule reconciling these amounts to the modified accrual-basis presentation found in the fund-based statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenue. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenue includes: (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Taxes, unrestricted intergovernmental receipts, and other items not properly included among program revenue are reported instead as general revenue.

As a general rule, the effect of interfund activity has been removed from the government-wide financial statements. Exceptions to this general rule occur when there are charges between the Town's stormwater function and various other functions. Eliminations of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds, if any, are reported as separate columns in the fund financial statements.

Specific Balances and Transactions

Cash and Investments

Equity in Pooled Cash and Investments

To maximize investment earnings, the Town pools cash and investments of the various funds. Unless required by trust or other agreements, cash is deposited to and disbursed from a single bank account. These pooled funds are reported on the financial statements as equity in pooled cash and investments. Investment earnings are allocated to the participating funds based upon each fund's average share of the pool. Investments are reported at fair value determined from quoted market prices. Government pools are reported at net asset value and amortized costs.

December 31, 2021**Note 1 - Nature of Business and Significant Accounting Policies (Continued)**

For purposes of the statement of cash flows for proprietary funds, the Town considers cash and highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

Receivables

Accounts receivable are shown net of allowance for uncollectible accounts. The allowance is composed of the balances of the accounts that are deemed uncollectible.

Inventories and Prepaid Items

Inventories are valued at cost, on a first-in, first-out basis. Inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future fiscal years and are recorded as prepaid items in both government-wide and fund financial statements, when applicable. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Restricted Assets

The following amounts are reported as restricted assets:

- Unspent bond proceeds and related interest totaling \$12,206,031 in the Public Improvements Fund required to be set aside for construction or other allowable bond purchases
- Funds held in escrow totaling \$16

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure (roads, bridges, sidewalks, and similar immovable items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition value at the date of donation. Costs of normal maintenance and repairs, which do not either add to the value of the asset or materially extend asset life are not capitalized. Outlays for the construction or improvement of capital assets are capitalized as construction in progress as the work is completed.

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

	Depreciable Life - Years
Buildings	20-50
Building improvements	20
Improvements other than buildings	20-30
Machinery and equipment	5-17
Infrastructure	20-50
Intangibles (software)	5-10

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Long-term Obligations

In the government-wide financial statements and the 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. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed at the time they are incurred. In the fund financial statements, governmental fund types recognize bond issuances and premiums as other financing sources and bond discounts as other financing uses. The General Fund and debt service funds are generally used to liquidate governmental long-term debt.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position and/or balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time.

The Town reports the following deferred outflows of resources and deferred inflows of resources:

	Inflows	Outflows
Unavailable revenue (those not collected within the period of availability)		
- Reported only at the modified accrual level	✓	
Deferred pension costs (or cost reductions)	✓	✓
Property taxes levied for the following year	✓	

Net Position

Net position of the Town is classified in three components. Net investment in capital assets consists of capital assets net of accumulated depreciation and is reduced by the current balances of any outstanding borrowings used to finance the purchase or construction of those assets. The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets. Investments held in escrow by trustee are classified as restricted net position on the balance sheet because associated debt covenants require these funds to be held for future debt service. Unrestricted net position is the remaining net position that does not meet the definition of invested in capital or restricted.

Net Position Flow Assumption

The Town will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

December 31, 2021

Note 1 - Nature of Business and Significant Accounting Policies (Continued)

Fund Balance Flow Assumptions

The Town will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Town's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds, other than the General Fund, if expenditures incurred for specific purposes exceed the amount that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The nonspendable fund balance component represents amounts that are not in spendable form or are legally or contractually required to be maintained intact. Examples are items that are not expected to be converted to cash, including inventories and prepaid expenditures. Restricted fund balance represents amounts that are legally restricted by outside parties, constitutional provisions, or enabling legislation for use for a specific purpose. The Town itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Town's highest level of decision-making authority. The Town Council is the highest level of decision-making authority for the Town that can, by adoption of an ordinance prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another ordinance) to remove or revise the limitation. The classification also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The Town has, by resolution, authorized the town administrator to assign fund balance. The Town Council may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally exist only temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The Town considers all unassigned fund balances to be available for future operations or capital replacement as defined within Article X, Section 20 of the Constitution of the State of Colorado (see Note 11).

December 31, 2021**Note 1 - Nature of Business and Significant Accounting Policies (Continued)****Property Tax Revenue**

Property taxes are levied and certified to Douglas County, Colorado each December of the preceding year and become an enforceable lien as of January 1. Douglas County, Colorado bills and collects property taxes for the Town. At the option of the taxpayer, property taxes may be paid in either one installment on April 30 or two installments on February 28 and June 15. Property taxes are recognized as receivables and deferred inflows of resources when levied and as revenue when due for collection in the following year.

Compensated Absences (Vacation and Sick Leave)

It is the Town's policy to permit employees to accumulate earned but unused sick and vacation pay benefits. The maximum vacation and sick leave hours that an employee may accumulate or receive upon separation of service is limited by town policy. All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. Unpaid accumulated sick pay is reported only for employees who are eligible for payout upon separation from the Town (five years or more in service). A liability for compensated absences is reported in the governmental funds only for employees who have resigned or retired for which the liability is expected to be paid with current available resources.

Proprietary Funds Operating Classification

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Prior Period Adjustment

Beginning net position in the governmental activities was restated by approximately \$227 million at December 31, 2020. In August 2011, the Town's 2010 ACFR was published with a \$228,863,277 addition to intangible assets with indefinite useful lives as a result of the implementation of GASB 51, *Accounting and Financial Reporting for Intangible Assets*. The value of intangible assets was calculated at that time with 2010 fair values instead of values at the time the assets were acquired or donated, which caused the assets to be overstated for easements and right-of-ways. GASB 51 allowed entities to report intangible assets with indefinite useful lives on a go-forward basis. Therefore, after accounting for disposals since that time, the beginning of year net position of governmental activities was reduced by \$227,288,044 to correct this issue in the current year financial statements.

December 31, 2021**Note 1 - Nature of Business and Significant Accounting Policies (Continued)*****Upcoming Accounting Pronouncements***

In June 2017, the Governmental Accounting Standards Board issued Statement No. 87, *Leases*, which improves accounting and financial reporting for leases by governments. This statement requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The Town is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement were originally effective for the Town's financial statements for the year ended December 31, 2021 but were extended to December 31, 2022 with the issuance of GASB Statement No. 95, *Postponement of the Effective Date of Certain Authoritative Guidance*.

In January 2020, the GASB issued Statement No. 92, *Omnibus 2020*. This statement addresses eight unrelated practice issues and technical inconsistencies in authoritative literature. The standard addresses leases, intraentity transfers of assets, postemployment benefits, government acquisitions, risk financing and insurance-related activities of public entity risk pools, fair value measurements, and derivative instruments. The standard has various effective dates. The Town does not believe this pronouncement will have a significant impact on its financial statements but is still making a full evaluation.

In March 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. With the London Interbank Offered Rate (LIBOR) expected to cease existence in its current form at the end of 2021, this statement addresses accounting and financial reporting implications that result from the replacement of an interbank offered rate (IBOR) in hedging derivative instruments and leases. The removal of LIBOR as an appropriate benchmark interest rate for a hedging derivative instrument is effective for the Town's financial statements for the December 31, 2022 fiscal year. All other requirements of the statement are effective for the Town's financial statements for the December 31, 2021 fiscal year. Lease modification requirements are effective one year later.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, to bring a uniform guidance on how to report public-private and public-public partnership arrangements. As a result, transferors in public-private or public-public arrangements will recognize receivables for installment payments, deferred inflows of resources and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets and, when applicable, deferred outflows of resources and liabilities for assets being transferred. This statement also provides guidance for accounting and financial reporting for availability payment arrangements in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this statement are effective for the Town's financial statements for the year ending December 31, 2023.

In May 2020, the Governmental Accounting Standards Board issued Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITAs)*, which defines SBITAs and provides accounting and financial reporting for SBITAs by governments. This statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for SBITAs. The Town is currently evaluating the impact this standard will have on the financial statements when adopted. The provisions of this statement are effective for the Town's financial statements for the year ending December 31, 2023.

December 31, 2021

Note 2 - Stewardship, Compliance, and Accountability

Budgetary Information

In accordance with the Town Charter, a proposed budget is submitted to the Town Council on or before October 15. Council holds public budget hearings each year on or before November 15 and must finalize and adopt the budget and appropriate the funds by ordinance on or before December 15. During the year, the budget was amended in a legally permissible manner.

All appropriations are adopted at the fund level. Budgets for all funds are adopted using the modified accrual basis. Fund appropriations may be amended by the Town Council through an ordinance with compliance for appropriate publication and hearing procedures. Department directors, with approval of the town administrator and finance director may reallocate the department budget between line item expenditures and/or approve transfers between departments within the same fund.

Excess of Expenditures Over Appropriations in Budgeted Funds

The Town did not have significant expenditure budget variances.

Note 3 - Deposits and Investments

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

	Governmental Activities	Business-type Activities	Total
Equity in pooled cash and investments	\$ 174,999,326	\$ 5,162,871	\$ 180,162,197
Cash and investments	8,881,048	-	8,881,048
Cash and investments held by trustee	12,206,047	-	12,206,047
Total	<u>\$ 196,086,421</u>	<u>\$ 5,162,871</u>	<u>\$ 201,249,292</u>

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 agency securities, certain international agency securities, general obligation and revenue bonds of U.S. local government entities, bankers' acceptances of certain banks, commercial paper, written repurchase agreements collateralized by certain authorized securities, certain money market mutual funds, guaranteed investment contracts, and local government investment pools.

The Town's cash and investments are subject to several types of risk, which are examined in more detail below:

Custodial Credit Risk of Bank Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the Town's deposits may not be returned to it. The Colorado Public Deposit Protection Act (PDPA) requires that all local governments deposit cash in eligible public depositories. Eligibility is determined by state regulations. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The fair value of the collateral must be at least equal to 102 percent of the aggregate uninsured deposits. The institution's internal records identify the collateral by depositor and are considered to be uninsured but collateralized. The State Regulatory Commission for Banks and Financial Services is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools and as a co-agent over the release of collateral from the pools. As of December 31, 2021, all of the Town's deposits were either insured by the Federal Deposit Insurance Corporation or held in eligible public depositories as required by PDPA.

December 31, 2021

Note 3 - Deposits and Investments (Continued)

Interest Rate Risk

Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. State statutes and the Town's investment policy limit interest rate risk by limiting the maximum maturity to five years. Commercial paper is further limited to a maximum maturity of three years. Maturities of the underlying investments in the local government investment pool are limited by the pool's investment policy to less than one year.

At year end, the Town had the following investments and maturities:

Asset Class	Carrying Value	Less Than One Year	1-3 Years	3-5 Years
Agency	\$ 7,007,939	\$ 503,978	\$ 6,503,961	\$ -
U.S. Treasury	24,217,274	5,011,154	16,997,837	2,208,283
Corporate bonds	5,388,625	1,364,584	3,511,249	512,792
Supranational	744,669	-	744,669	-
CSAFE	67,424,418	67,424,418	-	-
ColoTrust	76,766,257	76,766,257	-	-
Total	<u>\$181,549,182</u>	<u>\$ 151,070,391</u>	<u>\$ 27,757,716</u>	<u>\$ 2,721,075</u>

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations to the Town. National ratings agencies assess this risk and assign a credit quality rating for most investments. State statutes and the Town's investment policy require that U.S. Treasury and agency securities have the highest rating category of at least two nationally recognized rating agencies at the time of purchase. Commercial paper must have at least two ratings, which must not be below A1, P1, or F1 from any nationally recognized credit rating agency at the time of purchase. As of December 31, 2021, the credit quality ratings of debt securities (other than the U.S. government) are as follows:

Investment	Carrying Value	Rating	Rating Organization
Primary Government			
Federal Home Loan Bank	\$ 1,381,282	Aaa	Moody's
Federal National Mortgage Associate	1,654,208	Aaa	Moody's
Federal Home Loan Mortgage Corp	2,514,327	Aaa	Moody's
Federal Farm Credit Banks	1,458,122	Aaa	Moody's
Intl Bank Recon and Development	744,669	Aaa	Moody's
Amazon.com Inc	495,190	A1	Moody's
Apple Inc	502,555	Aaa	Moody's
Bank of NY Mellon	495,886	A1	Moody's
Berkshire Hathaway	255,276	Aa2	Moody's
MasterCard Inc	512,792	A1	Moody's
Merck & Co	514,749	A1	Moody's
Paccar Financial Corp	352,786	A1	Moody's
State Street Bank	526,142	A1	Moody's
Toyota Motor Credit Corp	492,720	A1	Moody's
US Bancorp	232,509	A2	Moody's
Visa Inc	509,244	Aa3	Moody's
Westpac	498,776	Aa3	Moody's
ColoTrust Investment Pool	76,766,257	Not rated	
CSAFE Investment Pool	67,424,418	P-1	Moody's
Total	<u>\$ 157,331,908</u>		

December 31, 2021**Note 3 - Deposits and Investments (Continued)*****Concentration of Credit Risk***

Concentration of credit risk is the risk of loss attributed to the magnitude of a Town's investment in a single issuer. State statutes and the Town's investment policy require that the book value of the Town's investment in commercial paper at no time exceed 50 percent of the Town's total investment portfolio or 5 percent of the book value of the portfolio if the notes are issued by a single issuer.

Local Government Investment Pool

The Town has \$76,766,257 invested with the Colorado Local Government Liquid Asset Trust (COLOTRUST or the "Trust") and \$67,424,418 invested with the Colorado Surplus Asset Fund Trust (CSAFE), which are investment vehicles established for local governments in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all state statutes governing the Trust and CSAFE.

COLOTRUST operates similarly to a money market fund in which each share has value of \$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 repurchase agreements collateralized by certain obligations of U.S. government agencies. 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. As of December 31, 2021, the Town had \$0 invested in COLOTRUST PRIME and \$76,766,257 invested in COLOTRUST PLUS+.

CSAFE operates similarly to money market funds and each share is equal in value to \$1.00. Investments are limited to those allowed by state statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Wells Fargo Trust funds are held in escrow related to the Certificates of Participation. As of December 31, 2021, \$7 of Certificate of Participation Series 2014 base rental reserve funds and \$9 of Certificate of Participation Series 2019 base rental reserve funds are currently being invested in COLOTRUST PLUS+.

Fair Value Measurements

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments that are measured at fair value using net asset value per share (or its equivalent) as a practical expedient are not classified in the fair value hierarchy below.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Town's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset.

December 31, 2021

Note 3 - Deposits and Investments (Continued)

The Town has the following recurring fair value measurements as of December 31, 2021:

Assets Measured at Carrying Value on a Recurring Basis at December 31, 2021				
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance at December 31, 2021
Assets				
Agency	\$ -	\$ 7,007,939	\$ -	\$ 7,007,939
Supranational	-	744,669	-	744,669
Corporate bonds	-	5,388,625	-	5,388,625
U.S. Treasury	-	24,217,274	-	24,217,274
Total investments at fair value	<u>\$ -</u>	<u>\$ 37,358,507</u>	<u>\$ -</u>	<u>\$ 37,358,507</u>

The fair value of Town's investments at December 31, 2021 was determined primarily based on Level 2 inputs. The Town estimates the fair value of these investments are measured using matrix pricing.

The valuation method for investments measured at net asset value (NAV) per share (or its equivalent) is presented below.

Investments in Entities That Calculate Net Asset Value per Share

The Town holds shares or interests in investment companies where the fair value of the investments is measured on a recurring basis using net asset value per share (or its equivalent) of the investment companies as a practical expedient.

The Town's investments in ColoTrust are measured at the net asset value method. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period. The Town invested \$76,766,257 in ColoTrust as of December 31, 2021.

Investments in Entities That Calculate Amortized Cost

The Town's investments in CSAFE as of December 31, 2021 was \$67,424,418 and is measured at amortized cost and, therefore, not categorized in a level. The trust is similar to a money market fund, with each share valued at \$1.00.

December 31, 2021

Note 4 - Capital Assets

Capital asset activity of the Town's governmental and business-type activities was as follows:

Governmental Activities

	Balance January 1, 2021, as Restated (Note 1)	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2021
Capital assets not being depreciated:					
Land	\$ 93,886,102	\$ 9,192	\$ 59,858	\$ -	\$ 93,955,152
Construction in progress	6,615,103	(3,881,823)	15,628,259	-	18,361,539
Intangible assets	30,214,353	(289,418)	153,859	(600,252)	29,478,542
Subtotal	130,715,558	(4,162,049)	15,841,976	(600,252)	141,795,233
Capital assets being depreciated:					
Infrastructure	381,066,373	3,666,555	9,702,034	(690,145)	393,744,817
Buildings	100,403,762	-	728,346	-	101,132,108
Improvements other than buildings	61,158,051	206,076	104,738	-	61,468,865
Machinery and equipment	23,520,231	-	2,098,083	(1,110,017)	24,508,297
Intangible assets (software)	701,690	289,418	16,560	-	1,007,668
Subtotal	566,850,107	4,162,049	12,649,761	(1,800,162)	581,861,755
Accumulated depreciation:					
Infrastructure	210,148,758	-	12,692,754	-	222,841,512
Buildings	32,506,115	-	3,223,344	-	35,729,459
Improvements other than buildings	18,230,984	-	2,210,910	-	20,441,894
Machinery and equipment	16,891,760	-	1,787,705	(1,093,939)	17,585,526
Intangible assets (software)	620,734	-	120,261	-	740,995
Subtotal	278,398,351	-	20,034,974	(1,093,939)	297,339,386
Net capital assets being depreciated	288,451,756	4,162,049	(7,385,213)	(706,223)	284,522,369
Net governmental activities capital assets	<u>\$ 419,167,314</u>	<u>\$ -</u>	<u>\$ 8,456,763</u>	<u>\$ (1,306,475)</u>	<u>\$ 426,317,602</u>

December 31, 2021

Note 4 - Capital Assets (Continued)

Business-type Activities

	Balance January 1, 2021	Reclassifications	Additions	Disposals and Adjustments	Balance December 31, 2021
Capital assets not being depreciated - Construction in progress	\$ 6,585,221	\$ (11,714,571)	\$ 11,914,096	\$ -	\$ 6,784,746
Capital assets being depreciated:					
Infrastructure	11,168,504	11,714,571	-	-	22,883,075
Machinery and equipment	205,380	-	-	-	205,380
Subtotal	11,373,884	11,714,571	-	-	23,088,455
Accumulated depreciation:					
Infrastructure	2,207,744	-	346,101	-	2,553,845
Machinery and equipment	43,137	-	27,387	-	70,524
Subtotal	2,250,881	-	373,488	-	2,624,369
Net capital assets being depreciated	9,123,003	11,714,571	(373,488)	-	20,464,086
Net business-type activities capital assets	<u>\$ 15,708,224</u>	<u>\$ -</u>	<u>\$ 11,540,608</u>	<u>\$ -</u>	<u>\$ 27,248,832</u>

Depreciation expense was charged to programs of the primary government as follows:

Governmental activities:	
General government	\$ 223,241
Public safety	812,116
Highways and Streets, including depreciation of general infrastructure assets	13,749,790
Recreation and culture	3,819,030
Internal Service Fund depreciation is charged to the various functions based on their usage of the asset	<u>1,430,797</u>
Total governmental activities	<u>\$ 20,034,974</u>
Business-type activities - Stormwater Utility Fund	\$ 373,488

December 31, 2021

Note 4 - Capital Assets (Continued)

Construction Commitments

The Town has active construction projects at year end. At year end, the Town's commitments with contractors are as follows:

	Expenditures through December 31, 2021	Remaining Commitment	Project Total
Lemon Gulch Trail	\$ 161,021	\$ 1,849,165	\$ 2,010,186
High Plains Trail Connection	647,912	2,292,503	2,940,415
O'Brien Park Improvements	73,155	1,600,819	1,673,974
Parker Road Sidewalk Project	2,349,263	4,428,250	6,777,513
Hess - Motsenbocker Projects	371,351	1,587,963	1,959,314
Cottonwood Widening - Jordan Rd to Cherry Creek	10,501,863	3,198,377	13,700,240
Kings Point Way	3,418,101	197,800	3,615,901
North Parker Road Improvements	246,881	7,771,037	8,017,918
Mainstreet Safety Improvements	275,125	1,146,088	1,421,213
Total	\$ 18,044,672	\$ 24,072,002	\$ 42,116,674

Note 5 - Interfund Receivables, Payables, and Transfers

Interfund balances in the fund statements consist of advances and short-term borrowings from the General Fund to the Parker Authority for Reinvestment for general expenses in the amount of \$50,000 of \$722,431, respectively.

Interfund transfers reported in the fund financial statements are composed of the following:

Transfers In	Transfers out					Total
	General Fund	Parks and Recreation Fund	Excise Tax Fund	Conservation Trust Fund	Stormwater Utility Fund	
Capital Renewal and Replacement Fund	\$ 30,930,425	\$ -	\$ -	\$ -	\$ -	\$ 30,930,425
Parks and Recreation Fund	-	-	-	575,000	-	575,000
Cultural Fund	1,837,648	-	-	-	-	1,837,648
Public Improvements Fund	-	-	2,250,000	-	-	2,250,000
Recreation Debt Fund	-	1,582,560	-	-	-	1,582,560
Debt Service Fund	755,079	-	-	-	185,244	940,323
Facility Services Internal Service Fund	100,000	-	-	-	-	100,000
Total	\$ 33,623,152	\$ 1,582,560	\$ 2,250,000	\$ 575,000	\$ 185,244	\$ 38,215,956

Transfers are used to (1) move revenue from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; (3) use unrestricted revenue collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; and (4) account for capital assets to internal service funds.

The transfer from the General Fund to the Capital Renewal and Replacement Fund was to allocate funds to the purpose of future capital development. The transfer from the Stormwater Utility Fund to the Debt Service Fund was for the Stormwater Utility Fund's portion of debt service.

December 31, 2021

Note 6 - Long-term Debt

Long-term debt activity for the year ended December 31, 2021 can be summarized as follows:

Governmental Activities

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Bonds and contracts payable -					
Direct borrowings and direct					
placements:					
Revenue bonds					
Sales and use tax, 2015	\$ 5,205,000	\$ -	\$ (995,000)	\$ 4,210,000	\$ 1,015,000
Revenue bonds					
Tax Increment Revenue					
Loan, 2020 A-1	12,855,000	-	(830,000)	12,025,000	845,000
Revenue bonds					
Tax Increment Revenue					
Loan, 2020 A-2	8,080,000	-	(480,000)	7,600,000	490,000
Certificates of participation					
Series 2014	14,910,000	-	(825,000)	14,085,000	850,000
Certificates of participation					
Series 2019	24,095,000	-	(1,140,000)	22,955,000	1,195,000
Unamortized Premium	4,728,517	-	(516,563)	4,211,954	493,744
Total bonds and					
contracts payable	69,873,517	-	(4,786,563)	65,086,954	4,888,744
Compensated absences	3,923,436	1,623,139	(2,763,671)	2,782,904	1,391,452
Total governmental					
activities long-term					
debt	<u>\$ 73,796,953</u>	<u>\$ 1,623,139</u>	<u>\$ (7,550,234)</u>	<u>\$ 67,869,858</u>	<u>\$ 6,280,196</u>

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for them are included as part of the above totals for governmental activities. At year end, \$248,214 of internal service funds compensated absences is included in the above amounts. For all other governmental activities, compensated absences are generally liquidated by the General Fund.

The Stormwater Utility Fund, the Town's only business-type activity, had an increase in compensated absence liability of \$67,961 and a decrease of \$83,385, bringing the fund's total liability to \$55,566.

Revenue Bonds

Revenue bonds involve a pledge of specific income derived from the acquired or constructed assets and to pay debt service.

Sales and Use Tax Revenue Bonds Refunding - Dated January 7, 2015

Revenue bond debt service requirements to maturity are as follows:

Years Ending	Principal	Interest	Total
2022	\$ 1,015,000	\$ 79,604	\$ 1,094,604
2023	1,040,000	57,513	1,097,513
2024	1,065,000	34,884	1,099,884
2025	1,090,000	11,718	1,101,718
Total	<u>\$ 4,210,000</u>	<u>\$ 183,719</u>	<u>\$ 4,393,719</u>

December 31, 2021

Note 6 - Long-term Debt (Continued)

In 2015, the Town issued a Direct Borrowing Sales and Use Tax Revenue Refunding Note; the proceeds were used to refund the Town's 2006 Sales and Use Tax Revenue Bonds used for the acquisition and construction of a fieldhouse and related improvements. This issue consists of a bank loan in the original amount of \$9,880,000 due annually on May 1 in various amounts through May 1, 2025. The note may be prepaid, in whole, on any date at the prepayment price equal to outstanding principal plus accrued interest without any termination fee, premium, or penalty. Interest at 2.15 percent is payable semiannually.

This note is payable from pledged revenue that consists of the 2.5 percent town sales and use tax collected in the General Fund and public improvements fund totaling \$44.5 million, of which 100 percent is pledged to cover the debt service requirements outlined above for the remainder of the bond term. The pledged revenue collected in the current fiscal year adequately covers the remaining \$4.39 million of debt service requirements.

In the event of default, the lender shall be entitled to the pledged revenue described above or may take other legal action to obtain payment.

Tax Increment Revenue Loan - Dated September 4, 2020

Revenue loan debt service requirements to maturity are as follows:

Years Ending	Principal	Interest	Total
2022	\$ 1,335,000	\$ 302,860	\$ 1,637,860
2023	1,350,000	282,274	1,632,274
2024	1,375,000	261,457	1,636,457
2025	1,400,000	240,254	1,640,254
2026	1,415,000	218,665	1,633,665
2027-2031	7,425,000	758,618	8,183,618
2032-2035	5,325,000	174,940	5,499,940
Total	<u>\$ 19,625,000</u>	<u>\$ 2,239,068</u>	<u>\$ 21,864,068</u>

In 2020, the Town received Direct Borrowing Tax Increment Revenue Loans, the proceeds of which were used to fund the Town's urban renewal plan for the Cottonwood Commercial Area Urban Renewal Plan and the Parker Central Area Reinvestment Plan, including street enhancements and beautification; park, landscape, and sidewalk improvements; and bridge widening. This issue consists of bank loans in the original amounts of \$12,855,000 and \$8,080,000, due annually on December 1 in various amounts through December 1, 2035. The note may be prepaid, in whole or in part, on December 1, 2025 or any interest payment date thereafter, at the prepayment price equal to outstanding principal plus accrued interest without any termination fee, premium, or penalty. Interest at 1.58 percent is payable biannually.

This note is payable from pledged revenue that consists of the Town's property tax revenue certified by the county assessor for assessment of all taxable property within the Urban Renewal Project Area totaling \$2.53 million, of which 100 percent is pledged to cover the debt service requirements outlined above for the remainder of the bond term. The pledged revenue collected in the current fiscal year adequately covers the 2022 debt service requirements shown above in the amount of \$1.63 million.

In the event of default on the loan the lender shall be entitled to the pledged revenue described above or may take other legal action to obtain payment.

December 31, 2021

Note 6 - Long-term Debt (Continued)

Certificates of Participation

Certificates of participation debt service requirements are as follows:

Years Ending December 31	Governmental Activities		
	Direct Borrowings and Direct Placements		
	Principal	Interest	Total
2022	\$ 2,045,000	\$ 1,726,856	\$ 3,771,856
2023	2,135,000	1,633,106	3,768,106
2024	2,225,000	1,543,956	3,768,956
2025	2,320,000	1,448,631	3,768,631
2026	2,420,000	1,415,750	3,835,750
2027-2031	13,775,000	4,907,844	18,682,844
Thereafter	12,120,000	1,256,300	13,376,300
Total	<u>\$ 37,040,000</u>	<u>\$ 13,932,443</u>	<u>\$ 50,972,443</u>

Certificates of Participation Series 2014

In 2014, the Town issued \$19,520,000 in Certificates of Participation (COP) to finance the costs of constructing and equipping a new public works facility, as well as the recreation center expansion. Payments are due semiannually in varying amounts through October 15, 2034. The lease allows the Town the option to purchase the properties prior to the end of the lease term by paying the amount necessary to discharge the outstanding COPs. The COPs maturing on or prior to November 1, 2023 are not subject to optional redemption prior to maturity. The COPs maturing on and after November 1, 2024 are subject to redemption prior to their respective maturity dates at the option of the Town, in whole or in part, in integral multiples of \$5,000 and, if in part, in such order of maturities as the Town shall determine and by lot within a maturity, on November 1, 2023, and on any date thereafter, at a redemption price equal to the principal amount of the 2014 Certificates so redeemed plus accrued interest to the redemption date without a premium.

Interest rates on these COPs range from 3.00 percent to 6.85 percent. Neither the lease nor the COPs constitute a general obligation or other indebtedness of the Town, and the lease will terminate if the Town Council does not appropriate funds to make the payments in any fiscal year. Repayment of the COPs is secured only by moneys, if any, held by the trustee and the buildings and equipment therein.

Construction on the buildings and the COPs are reported in the government-wide statements. Annual debt service payments are included in the Recreation Debt Fund and the General Debt Service Fund. The assets acquired with the 2014 COPs have a net book value of \$24.5 million.

Refunding Certificates of Participation Series 2019

In 2019, the Town issued \$25,215,000 in Certificates of Participation to refund all of the Certificates of Participation, Series 2009A and pay the costs of issuing the 2019 Certificates. Payments are due semiannually in varying amounts through October 15, 2035. The lease allows the Town the option to purchase the properties prior to the end of the lease term by paying the amount necessary to discharge the outstanding COPs. The COPs maturing before November 1, 2026 are not subject to redemption prior to maturity. The COPs maturing on and after November 1, 2027 are subject to redemption on or after November 1, 2027 at the option of the Town.

Interest rates on these COPs range from 2.0 percent to 5.0 percent. Neither the lease nor the COPs constitute a general obligation or other indebtedness of the Town, and the lease will terminate if the Town Council does not appropriate funds to make the payments in any fiscal year. Repayment of the COPs is secured only by moneys, if any, held by the trustee and the buildings and equipment therein.

December 31, 2021

Note 6 - Long-term Debt (Continued)

The refunding transaction released the PACE Center from the initial collateral of the 2009 COPs. The police station remains collateral for the 2019 COPs.

Construction on the building and the COPs are reported in the government-wide statements. Annual debt service payments are included in the General Fund. The asset acquired with the 2009 COPs, refunded by the 2019 COPs, has a net book value of \$10.2 million.

Authorized General Obligation Debt

In the November 6, 2001 election, voters authorized the issuance of \$12.5 million of general obligation debt for the acquisition and preservation of open space and park land. As of December 31, 2021, this debt had not been issued.

Note 7 - Pension Plan

Plan Description

The Town contributes to the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan administered by the Colorado Fire and Police Pension Association (FPPA). The Statewide Defined Benefit Plan (SWDB) provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by the FPPA. This is a noncontributory plan. All full-time, paid police officers of the Town are members of the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. Local revenue sources are responsible for funding of the Death and Disability benefits for firefighters hired on or after January 1, 1997.

Colorado statutes assign the authority to establish benefit provisions to the state Legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for both the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. FPPA issues a publicly available Annual Comprehensive Financial Report that can be obtained at <http://www.fppaco.org>.

Benefits Provided

A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50.

The annual normal retirement benefit is 2 percent of the average of the member's highest 3 years' base salary for each year of credited service up to 10 years, plus 2.5 percent for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members currently covered under Social Security will receive half the benefit when compared to the Statewide Defined Benefit Plan. Benefits paid to retired members are evaluated and may be redetermined every October 1. The amount of any increase is based on the board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers.

A member is eligible for an early retirement at age 50 with at least 5 years of credited service or after 30 years of service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5 percent as interest, returned as a lump-sum distribution. Alternatively, a member with at least 5 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 3 years' base salary for each year of credited service up to 10 years, plus 2.5 percent for each year of service thereafter.

December 31, 2021

Note 7 - Pension Plan (Continued)

Contributions

The plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members. Contribution rates for the SWDB plan are set by state statute. Employer contribution rates can only be amended by state statute. Member contribution rates can be amended by state statute or election of the membership. Members of the SWDB plan and their employers are contributing at the rate of 11.5 percent and 8.5 percent, respectively, of base salary for a total contribution rate of 20.0 percent in 2021. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5 percent annually through 2022 to a total of 12 percent of base salary. Employer contributions will increase 0.5 percent annually through 2030 to a total of 13.0 percent of pensionable earnings, resulting in a 23 percent contribution rate in 2030. Contributions to the plan from the Town were \$540,546 for the year ended December 31, 2021.

Net Pension Asset

At December 31, 2021, the Town reported an asset of \$1,725,057 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Town's proportion of the net pension liability was based on the Town's actuarially required contribution for the year ended December 31, 2020 relative to all other contributing employers. At December 31, 2020, the Town's proportion was 0.794589452 percent, which was a decrease of 0.036265744 percent from its proportion measured as of December 31, 2019.

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

For the year ended December 31, 2021, the Town recognized pension expense of \$533,913.

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	\$ 1,463,018	\$ 6,861
Changes in assumptions	733,692	-
Net difference between projected and actual earnings on pension plan investments	-	1,771,882
Changes in proportionate share, or difference between amount contributed and proportionate share of contributions	440,316	25,951
Employer contributions to the plan subsequent to the measurement date	540,546	-
Total	<u>\$ 3,177,572</u>	<u>\$ 1,804,694</u>

December 31, 2021

Note 7 - Pension Plan (Continued)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (note that employer contributions subsequent to the measurement date will reduce the net pension liability and, therefore, will not be included in future pension expense):

Years Ending December 31	Amount
2022	\$ (135,878)
2023	93,946
2024	(204,153)
2025	97,349
2026	378,522
Thereafter	602,546
Total	<u>\$ 832,332</u>

Actuarial Assumptions

The total pension liability and actuarial determined contributions in the December 31, 2020 actuarial valuation were determined using an inflation assumption of 2.5 percent; assumed salary increases (including inflation) of 4.25 - 11.25 percent; an investment rate of return (net of investment expenses) of 7.0 percent; and the RP-2014 mortality tables. These assumptions were applied to all periods included in the measurement.

For determining the total pension liability and actuarial determined contributions, the postretirement mortality tables for nondisabled 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 preretirement off-duty mortality tables are adjusted to 50 percent 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.

Discount Rate

The discount rate used to measure the total pension liability was 7.0 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 pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. 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.

December 31, 2021

Note 7 - Pension Plan (Continued)

Investment Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return as of the December 30, 2020 measurement date for each major asset class included in the pension plan's target asset allocation, as disclosed in the investment footnote, are summarized in the following tables:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Global equity	39.00 %	8.23 %
Equity long/short	8.00	6.87
Illiquid alternatives	26.00	10.63
Fixed income	10.00	4.01
Absolute return	5.00	5.25
Managed futures	10.00	5.60
Cash or cash equivalents	2.00	2.32

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the net pension liability (asset) of the Town, calculated using the discount rate of 7.0 percent, as well as what the Town's net pension liability (asset) would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1 Percentage Point Decrease (6.0%)	Current Discount Rate (7.0%)	1 Percentage Point Increase (8.0%)
Net pension liability (asset) of the State Fire and Police Pension Plan	\$ 1,735,999	\$ (1,725,057)	\$ (4,591,243)

Pension Plan Fiduciary Net Position

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

Assumption Changes

Changes in assumptions are recorded as deferred outflows or deferred inflows in the year enacted and amortized over the average remaining expected service life in place during the initial year of the assumption change. Changes in assumptions were last made as a result of the actuarial experience study in 2018.

Note 8 - Retirement Plans

Defined Contribution Retirement Plan

The Town of Parker, Colorado also contributes to the Parker defined contribution pension plan (401a) for full-time employees not covered under FPPA. The plan is maintained and administered by Empower Retirement Company.

December 31, 2021

Note 8 - Retirement Plans (Continued)

Under this plan, plan members contribute 8 percent of their compensation with a varied town contribution, which vests according to the table below. Town contributions for plan members who leave employment before they are fully vested can be used to reduce the Town's current period contribution requirement. There is no liability for benefits under the plan beyond the Town's matching payments. Plan provisions and contribution requirements are established and may be amended by the Town Council. The General Fund is used to liquidate pension liabilities.

	Active Members at December 31, 2021	Town Match	Vesting Rate per Year of Service
Town employee	215	10%	20%
Department head	10	12%	50%
Town administrator	1	17.5%	Immediate
Town attorney	1	22.25%	Immediate

In 2021, the Town utilized \$83,557 forfeiture funds to reduce the \$1,859,498 town contribution. Contributions by plan members and the Town for the past three years were as follows:

	Member Contributions	Town Contributions (Pension Expense)	Total
2021	\$ 1,443,014	\$ 1,775,941	\$ 3,218,955
2020	1,442,395	1,874,467	3,316,862
2019	1,348,531	1,776,237	3,124,768

Deferred Compensation Plan

The Town's deferred compensation plan was created in accordance with Internal Revenue Code Section 457. This plan allows employees at their option to defer a portion of their salary until future years. Compensation deferred is not available to the employee until termination, retirement, death, or permanent disability. All amounts deferred are held in trust for the exclusive benefit of participating employees. This plan is administered by Empower Retirement Company.

For all employees covered under FPPA, in addition to the contributions to FPPA, the Town contributes 1.5 percent of their compensation to their 457 account, bringing the total retirement contribution of the Town for these police officers to 10 percent.

The Town contributes 7.5 percent of the town administrator's compensation to her 457 account.

Note 9 - Fund Balance Constraints

The detail of the various components of fund balance is as follows:

Article X, Section 20 of the Constitution of the State of Colorado requires the Town to establish emergency reserves. The amount required to be reserved at December 31, 2021 totaled \$3,148,404 and is included in the General Fund's fund balance in the restricted category.

Pursuant to agreements with developers, the Town has collected funds to be used for specific future capital projects. For this purpose, fund balance in the amount of \$3,944,064 is restricted for parks, recreation, and open space, and \$11,824,331 is restricted for highways and streets.

Transfers from the Parker Authority for Reinvestment Fund for capital improvements related to Parker Central and Cottonwood area projects are restricted for highways and streets. Fund balance is restricted in the amount of \$12,206,031 for these purposes.

December 31, 2021

Note 9 - Fund Balance Constraints (Continued)

Revenue generated by the Police Explorers program have a restricted fund balance of \$24,186 to be used for the program.

Revenue generated from the vehicle surcharges and late vehicle registration fees are distributed to the Town from the Highway Users Tax Fund. The revenue is restricted for road safety enhancements. The fund balance for December 31, 2021 of \$314,478 is restricted for highways and streets.

Certificates of Participation were issued in 2014 and 2019. As of December 31, 2021, Wells Fargo Trust held \$16 in reserve funds for these balances. These funds are restricted for debt service.

In 1990, Town citizens voted on a 0.50 percent sales tax increase that is earmarked for parks and recreation improvements. For this purpose, fund balance in the amount of \$17,808,828 is restricted.

The Law Enforcement Assistance Fund accounts for Victim Assistance Law Enforcement grant funds and court surcharges used to fund the victim and witness program. The December 31, 2021 fund balance totaled \$61,354 restricted for this purpose.

Excise tax is paid by builders at the time a building permit is issued for a new residence or commercial structure. The fees are used to pay for capital projects, such as street improvements or parks that are needed for the new residents moving into the Town. The fees are only used for capital items and not to fund regular operations. The fund balance at December 31, 2021 totaled \$18,598,789 for this purpose.

The Town receives money from the State of Colorado lottery based upon a formula relative to the population of the Town. The funds, plus interest earned thereon, are restricted under the State Conservation Trust Fund. State statutes require these funds to be used for the acquisition, development, and maintenance of parks and recreation facilities. In 2019 the Town began collecting impact fees on building permits filed within the Town. The impact fees collected in the Parks and Rec Impact Fee Fund are also restricted for this purpose. Fund balance is restricted in the amount of \$495,398 for parks, recreation, and open space for this purpose.

Additional impact fees funds were created in 2019 for town facility and street expansions. The restricted fund balances as of December 31, 2021 are as follows:

Public works facility	\$	7,008
General government facility		10,452
Police facility		10,624
Court facility		994
Transportation		77,103

Property tax revenue generated by P3 is restricted for economic development purposes within the defined areas of P3. The fund balance was \$7,259,504 at December 31, 2021.

The Trails at Crowfoot Metro District Nos. 1-3 and the Town entered into Amended and Restated Intergovernmental Agreements (IGAs) in June 2019, as required by the districts' Amended and Restated Service Plans, approved by the Town in June 2019. The districts agreed to impose a property tax of 5 mills and remit that revenue to the Town. The Town is authorized to use the revenue from the mill levy for the planning, design, financing, acquisition, construction, operation, and maintenance of town infrastructure specified in Exhibit B of the IGAs. There is a restricted balance in the amount of \$79,974 in this fund as of December 31, 2021.

Note 10 - Risk Management

The Town is exposed to various risks of loss related to property loss, torts, errors and omissions, and employee injuries (workers' compensation), as well as medical benefits provided to employees. The Town maintains commercial insurance coverage for all risks of loss. Settled claims relating to the commercial insurance have not exceeded the amount of insurance coverage in any of the past three fiscal years.

December 31, 2021**Note 11 - Commitments and Contingent Liabilities*****Sales Tax Sharing Agreements***

From time to time the Town enters into incentive agreements to share sales tax revenue with qualified sales tax generating businesses, employers, and shopping centers within the Town to the extent authorized by the Tax and Fee Assistance Program and the Shopping Center Assistance Program (collectively, the "Programs"). Under the Programs, the Town may share sales tax generated by a qualified business/employer/shopping center according to the terms specified in a separate agreement with the Town (the "Program Agreements"). The Program Agreements are not a debt or obligation of the Town, and payments are pursuant to annual one-year terms and annual appropriation of funds by the Town Council.

The Town is currently a party to 11 active Program Agreements. The shareback rates range from 50 percent to 85 percent of sales tax in excess of a defined annual base. The active Program Agreements have a maximum amount payable of \$5,516,000 and a potential remaining commitment of \$4,837,618. The Program Agreements expire between 2023 and 2030 or when the maximum shareback is reached, whichever comes first.

Tax reimbursements in 2021 were \$396,865. Future commitments under these agreements amount to approximately \$4.8 million.

Additionally, some of these agreements commit the Town to reimburse a portion of building fees and building use tax. The reimbursements of building fees and building use tax in 2021 was \$63,605.

Parker Authority for Reinvestment enters into tax increment financing (TIF) agreements to facilitate private investment that will prevent and eliminate blight in the three urban renewal areas within the Town of Parker, Colorado. P3 utilizes TIF to stimulate quality revitalization, redevelopment, and infill development. All TIF agreements P3 enters into have determined that a financial gap exists in the project, and TIF is used for improvements that have a public benefit and that support the redevelopment effort, such as site clearance, streets, utilities, parks, the removal of hazardous materials or conditions, or site acquisition. There are four agreements under which P3 has future commitments. The payments are for 50 percent to 75 percent of property tax increments in excess of a defined base of the value of the property before it was developed. The agreements have terms of 13 to 17 years.

P3 reimbursed \$251,786 in 2021. Future commitments under these agreements amount to approximately \$1.42 million.

Tax, Spending, and Debt Limitations

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations applicable to the State of Colorado and all local governments, including revenue growth limitations, spending abilities, creation of multiple-fiscal-year debt or other financial obligations, tax rate increases, imposing new taxes, and other specific requirements.

The Town's financial activity provides the basis for calculation of limitations adjusted for allowable increases tied to inflation and local growth.

The amendment requires that emergency reserves be established. These reserves must be at least 3 percent of fiscal year spending (excluding bonded debt service). Emergency reserves as of December 31, 2021 totaling \$3,148,404 have been presented as a restriction of fund balance in the General Fund. The Town is not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

In April 1996, voters in the Town approved an amendment to the Home Rule Charter, which authorizes the Town to collect, retain, and expend all revenue of the Town for 1996 and each subsequent fiscal year, notwithstanding any limitation contained in Article X, Section 20 of the State Constitution.

December 31, 2021

Note 11 - Commitments and Contingent Liabilities (Continued)

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 in the amendment's language in order to determine its compliance.

Litigation

As of December 31, 2021, there were several lawsuits pending in which the Town is involved. Management has concluded no liability is necessary related to these lawsuits.

Required Supplemental Information

Town of Parker, Colorado

Required Supplemental Information Budgetary Comparison Schedule - General Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Taxes	\$ 44,865,176	\$ 50,865,176	\$ 53,655,683	\$ 2,790,507
Intergovernmental	3,901,840	4,005,832	4,031,492	25,660
Charges for services	3,435,670	3,435,670	4,731,277	1,295,607
Fines and forfeitures	121,000	121,000	86,269	(34,731)
Licenses and permits	2,263,560	2,263,560	4,002,622	1,739,062
Net investment earnings	300,000	300,000	16,722	(283,278)
Other revenue	80,000	80,000	246,102	166,102
Total revenue	54,967,246	61,071,238	66,770,167	5,698,929
Expenditures				
Current services:				
General government	10,500,441	11,251,598	8,878,507	2,373,091
Public safety	19,608,582	19,740,634	17,827,184	1,913,450
Public works	7,417,867	7,830,692	7,231,789	598,903
Economic development	1,451,720	1,451,340	805,557	645,783
Parks, recreation, and culture	4,176,457	4,191,457	3,647,537	543,920
Capital outlay	6,746,680	6,892,942	5,766,069	1,126,873
Debt service:				
Principal	1,540,000	1,419,066	1,140,000	279,066
Interest and fiscal charges	1,204,750	1,204,750	1,204,750	-
Total expenditures	52,646,497	53,982,479	46,501,393	7,481,086
Excess of Revenue Over Expenditures	2,320,749	7,088,759	20,268,774	13,180,015
Other Financing Sources (Uses)				
Transfers in	1,215,641	1,215,641	1,215,636	(5)
Transfers out	(12,522,724)	(32,012,724)	(32,012,727)	(3)
Sale of capital assets	-	-	24,090	24,090
Insurance recoveries	-	-	3,121	3,121
Total other financing uses	(11,307,083)	(30,797,083)	(30,769,880)	27,203
Net Change in Fund Balance	(8,986,334)	(23,708,324)	(10,501,106)	13,207,218
Fund Balance - Beginning of year	38,735,429	38,735,429	38,735,429	-
Fund Balance - End of year	<u>\$ 29,749,095</u>	<u>\$ 15,027,105</u>	<u>\$ 28,234,323</u>	<u>\$ 13,207,218</u>

Town of Parker, Colorado

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Funds Cultural Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Intergovernmental	\$ 542,500	\$ 542,500	\$ 432,137	\$ (110,363)
Charges for services	1,785,379	1,785,379	1,944,375	158,996
Net investment earnings (loss)	5,000	5,000	(123)	(5,123)
Other revenue	129,000	129,000	192,131	63,131
Total revenue	2,461,879	2,461,879	2,568,520	106,641
Expenditures				
Current services - Recreation and culture	4,221,630	4,228,719	3,815,795	412,924
Capital outlay	610,000	732,558	528,852	203,706
Total expenditures	4,831,630	4,961,277	4,344,647	616,630
Excess of Expenditures Over Revenue	(2,369,751)	(2,499,398)	(1,776,127)	723,271
Other Financing Sources - Transfers in	1,767,645	1,837,645	1,837,648	3
Net Change in Fund Balance	(602,106)	(661,753)	61,521	723,274
Fund Balance - Beginning of year	1,157,577	1,130,110	1,130,110	-
Fund Balance - End of year	<u>\$ 555,471</u>	<u>\$ 468,357</u>	<u>\$ 1,191,631</u>	<u>\$ 723,274</u>

Town of Parker, Colorado**Required Supplemental Information**
Budgetary Comparison Schedule - Major Special Revenue Funds (Continued)
Parks and Recreation Fund**Year Ended December 31, 2021**

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Taxes - Sales and use taxes	\$ 4,582,266	\$ 4,582,266	\$ 6,396,190	\$ 1,813,924
Charges for services	-	-	2,540	2,540
Net investment earnings (loss)	150,000	150,000	(939)	(150,939)
Other revenue	920,250	920,250	1,078,492	158,242
Total revenue	5,652,516	5,652,516	7,476,283	1,823,767
Expenditures				
Current services - Recreation and culture	798,631	772,062	678,701	93,361
Capital outlay	6,990,000	9,046,827	2,608,027	6,438,800
Total expenditures	7,788,631	9,818,889	3,286,728	6,532,161
Excess of Revenue (Under) Over Expenditures	(2,136,115)	(4,166,373)	4,189,555	8,355,928
Other Financing Sources (Uses)				
Transfers in	575,000	575,000	575,000	-
Transfers out	(1,582,620)	(1,582,620)	(1,582,560)	60
Total other financing uses	(1,007,620)	(1,007,620)	(1,007,560)	60
Net Change in Fund Balance	(3,143,735)	(5,173,993)	3,181,995	8,355,988
Fund Balance - Beginning of year	11,273,404	16,277,115	16,277,115	-
Fund Balance - End of year	<u><u>\$ 8,129,669</u></u>	<u><u>\$ 11,103,122</u></u>	<u><u>\$ 19,459,110</u></u>	<u><u>\$ 8,355,988</u></u>

Town of Parker, Colorado

Required Supplemental Information Budgetary Comparison Schedule - Major Special Revenue Funds (Continued) Parker Authority for Reinvestment Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Taxes - Property Taxes	\$ 4,800,000	\$ 4,800,000	\$ 4,443,190	\$ (356,810)
Net investment earnings	700	700	-	(700)
Total revenue	4,800,700	4,800,700	4,443,190	(357,510)
Expenditures				
Current services - Economic development	1,359,026	1,359,026	964,070	394,956
Capital outlay	11,000	11,000	10,590	410
Debt service	1,956,120	1,956,120	1,633,060	323,060
Total expenditures	3,326,146	3,326,146	2,607,720	718,426
Net Change in Fund Balance	1,474,554	1,474,554	1,835,470	360,916
Fund Balance - Beginning of year	4,820,033	5,424,034	5,424,034	-
Fund Balance - End of year	<u>\$ 6,294,587</u>	<u>\$ 6,898,588</u>	<u>\$ 7,259,504</u>	<u>\$ 360,916</u>

Town of Parker, Colorado

Required Supplemental Information Schedule of the Town's Proportionate Share of the Net Pension Liability FPPA Pension Plan

	Last Eight Plan Years							
	Plan Years Ended December 31							
	2020	2019	2018	2017	2016	2015	2014	2013
Town's proportion of the net pension liability (asset)	0.79500 %	0.83100 %	0.91100 %	0.99800 %	1.05100 %	1.02600 %	1.07900 %	1.04400 %
Town's proportionate share of the net pension (asset) liability	\$ (1,725,057)	\$ (469,901)	\$ 1,151,209	\$ (1,435,080)	\$ 379,662	\$ (18,087)	\$ (1,216,731)	\$ (933,843)
Town's covered payroll	\$ 6,382,213	\$ 6,136,375	\$ 6,099,438	\$ 5,834,975	\$ 5,377,350	\$ 4,984,838	\$ 4,860,850	\$ 4,535,738
Town's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	(27.03)%	(7.66)%	18.87 %	(24.59)%	7.06 %	(0.36)%	(25.03)%	(20.59)%

Town of Parker, Colorado

Required Supplemental Information Schedule of Pension Contributions FPPA Pension Plan

	Last Ten Fiscal Years									
	Years Ended December 31									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Statutorily required contribution	\$ 540,546	\$ 510,577	\$ 490,910	\$ 487,955	\$ 466,978	\$ 430,188	\$ 398,787	\$ 388,868	\$ 362,859	\$ 351,142
Contributions in relation to the										
statutorily required contribution	540,546	510,577	490,910	487,955	466,978	430,188	398,787	388,868	362,859	351,142
Contribution Excess	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Town's Covered Payroll	\$ 6,359,363	\$ 6,382,213	\$ 6,136,375	\$ 6,099,438	\$ 5,834,975	\$ 5,377,350	\$ 4,984,838	\$ 4,860,850	\$ 4,535,738	\$ 4,389,275
Contributions as a Percentage of Covered Payroll	8.50 %	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %	8.00 %

December 31, 2021

Budgetary Information

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund and all special revenue funds, except that certain operating transfers have been included in the revenue and expenditures categories, rather than as other financing sources (uses), and the capital facility reserve is budgeted as a separate fund. All annual appropriations lapse at fiscal year end. In accordance with the Town Charter, a proposed budget is submitted to the Town Council on or before October 15. Council holds public budget hearings each year on or before November 15 and must finalize and adopt the budget and appropriate the funds by ordinance on or before December 15.

The budget document presents information by fund, function, department, and line items. The legal level of budgetary control adopted by the governing body is the fund level (i.e., the level at which expenditures may not legally exceed appropriations). Department directors, with approval of the town administrator and finance director may reallocate the department budget between line items expenditures and/or approve transfers between departments within the same fund.

A reconciliation of the General Fund budgetary comparison schedule to the fund-based statement of revenue, expenditures, and changes in fund balances is as follows:

	<u>Total Revenue</u>	<u>Total Expenditures</u>	<u>Other Financing Uses</u>	<u>Change in Fund Balance</u>
Amounts per operating statement	\$ 68,007,465	\$ 46,501,393	\$ (33,595,941)	\$ (12,089,869)
Sales taxes budgeted as transfers in	(1,215,636)	-	1,215,636	-
Capital facility transfers in/out are budgeted in a separate fund	-	-	1,610,425	1,610,425
Capital facility reserve interest is budgeted in a separate fund	(21,662)	-	-	(21,662)
Amounts per budget statement	<u>\$ 66,770,167</u>	<u>\$ 46,501,393</u>	<u>\$ (30,769,880)</u>	<u>\$ (10,501,106)</u>

Other Supplemental Information

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Major Governmental Funds Capital Renewal and Replacement Fund

Year Ended December 31, 2021

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue - Investment loss	\$ -	\$ -	\$ (58,999)	\$ (58,999)
Expenditures	-	-	-	-
Excess of Expenditures Over Revenue	-	-	(58,999)	(58,999)
Other Financing Sources - Transfers in	-	30,938,762	30,930,425	(8,337)
Net Change in Fund Balance	-	30,938,762	30,871,426	(67,336)
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ 30,938,762</u>	<u>\$ 30,871,426</u>	<u>\$ (67,336)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Major Governmental Funds (Continued) Public Improvements Fund

Year Ended December 31, 2021

	Original Budget (Unaudited)	Amended Budget (Unaudited)	Actual	Variance with Amended Budget (Unaudited)
Revenue				
Taxes - Sales and use taxes	\$ 3,480,500	\$ 3,480,500	\$ 4,453,436	\$ 972,936
Intergovernmental	2,922,640	2,922,640	4,861,738	1,939,098
Net investment earnings	300,000	300,000	17,878	(282,122)
Other revenue	1,000,000	1,000,000	1,951,592	951,592
Total revenue	7,703,140	7,703,140	11,284,644	3,581,504
Expenditures				
Current services:				
Public works	60,000	60,000	57,478	2,522
Economic development	25,000	25,000	63,605	(38,605)
Capital outlay	19,435,000	40,259,436	14,643,488	25,615,948
Total expenditures	19,520,000	40,344,436	14,764,571	25,579,865
Expenditures Over Revenue	(11,816,860)	(32,641,296)	(3,479,927)	29,161,369
Other Financing Sources - Transfers in	2,250,000	2,250,000	2,250,000	-
Net Change in Fund Balance	(9,566,860)	(30,391,296)	(1,229,927)	29,161,369
Fund Balance - Beginning of year	29,077,807	52,013,502	52,013,502	-
Fund Balance - End of year	<u>\$ 19,510,947</u>	<u>\$ 21,622,206</u>	<u>\$ 50,783,575</u>	<u>\$ 29,161,369</u>

Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are restricted to expenditures for specific purposes.

Conservation Trust Fund

This fund accounts for lottery proceeds from the State of Colorado and the subsequent transfer of those moneys for expenditure.

Law Enforcement Assistance Fund

This fund accounts for Victim Assistance Law Enforcement (VALE) grant funds; court surcharge revenue used to fund the victim/witness program; and other police-related expenditures.

Recreation Fund

This fund accounts for the operations of the Parker Recreation Center, fieldhouse, H2O'Brien outdoor pool, and town recreational programs.

Greater Parker Foundation Fund

This fund accounts for the activities of the Greater Parker Foundation, a component unit engaged in fundraising activities that benefit the Town of Parker, Colorado.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for and the payment of long-term debt principal, interest, and related costs.

General Debt Service Fund

Accounts for payments of principal and interest on the portion of the 2014 Certificates of Participation debt issued to construct the new public works facility.

Recreation Debt Fund

Accounts for payments of principal and interest on the 2006 Sales and Use Tax revenue bonds issued to construct the fieldhouse and the portion of the 2014 Certificates of Participation debt issued to construct the recreation center expansion.

Capital Project Funds

Capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Parkglenn Construction Fund

Accounts for construction related to the Parkglenn Special Improvement District.

Excise Tax Fund

Accounts for the collection of excise tax on new development for the purpose of building streets, parks and recreation facilities, and police and municipal facilities. The fees are transferred to funds based on the fund's purpose.

Hess Ranch Metropolitan Fund

Accounts for construction related to the Hess Ranch Metro District.

Transportation Impact Fee Fund

Accounts for impact fees collected on building permits that are restricted to be used to fund improvement and expansion of infrastructure related to roads.

Parks and Recreation Impact Fee Fund

Accounts for impact fees collected on building permits that are restricted to be used to fund improvement and expansion of parks, recreation, and open space.

Public Works Facility Impact Fee Fund

Accounts for impact fees collected on building permits that are restricted to be used to fund improvements and construction on the public works facility.

General Government Facility Impact Fee Fund

Accounts for impact fees collected on building permits that are restricted to be used to fund improvements and construction on the Town's general government facility.

Police Facility Impact Fee Fund

Accounts for impact fees collected on building permits that are restricted to be used to fund improvements and construction on the Town's police facilities.

Court Facility Impact Fee Fund

Accounts for impact fees collected on building permits that are restricted to be used to fund improvements and construction on the Town's court facility.

Town of Parker, Colorado

	Special Revenue Funds					Debt Service Funds			Capital Project Funds
	Conservation Trust Fund	Law Enforcement Assistance Fund	Recreation Fund	Greater Parker Foundation Fund	Total Special Revenue Funds	General Debt Service Fund	Recreation Debt Fund	Total Debt Service Funds	Parkglenn Construction Fund
Assets									
Equity in pooled cash and investments	\$ -	\$ 345,220	\$ 2,615,607	\$ -	\$ 2,960,827	\$ -	\$ -	\$ -	\$ 212,606
Cash and investments	350,119	-	5,450	33,991	389,560	-	-	-	-
Receivables:									
Customer receivables	-	-	339,357	-	339,357	-	-	-	-
Accrued interest receivable	-	121	953	-	1,074	-	-	-	75
Accounts receivable Due from other governments	-	21	-	-	21	-	-	-	-
Due from other governments	-	3,972	-	-	3,972	-	-	-	-
Prepaid items	-	1,052	28,362	-	29,414	-	-	-	-
Total assets	<u>\$ 350,119</u>	<u>\$ 350,386</u>	<u>\$ 2,989,729</u>	<u>\$ 33,991</u>	<u>\$ 3,724,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,681</u>
Liabilities									
Accounts payable	\$ -	\$ 41,550	\$ 329,986	\$ 23,604	\$ 395,140	\$ -	\$ -	\$ -	\$ -
Due to other governmental units	-	-	885	-	885	-	-	-	-
Accrued liabilities and other	-	246,430	67,099	-	313,529	-	-	-	-
Unearned revenue	-	-	763,633	-	763,633	-	-	-	-
Total liabilities	-	287,980	1,161,603	23,604	1,473,187	-	-	-	-
Fund Balances									
Nonspendable - Prepaid items	-	1,052	28,362	-	29,414	-	-	-	-
Restricted:									
Streets, parks, recreation, and facilities	-	-	-	-	-	-	-	-	-
Law enforcement	-	61,354	-	-	61,354	-	-	-	-
Highways and streets	-	-	-	-	-	-	-	-	212,681
Town facilities and equipment	-	-	-	-	-	-	-	-	-
Parks, recreation, and open space	350,119	-	1,799,764	-	2,149,883	-	-	-	-
Assigned - Fundraising	-	-	-	10,387	10,387	-	-	-	-
Total fund balances	350,119	62,406	1,828,126	10,387	2,251,038	-	-	-	212,681
Total liabilities and fund balances	<u>\$ 350,119</u>	<u>\$ 350,386</u>	<u>\$ 2,989,729</u>	<u>\$ 33,991</u>	<u>\$ 3,724,225</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 212,681</u>

Other Supplemental Information Combining Balance Sheet Nonmajor Governmental Funds

December 31, 2021

Capital Project Funds									
Excise Tax Fund	Hess Ranch Metropolitan Fund	Transportation Impact Fee Fund	Parks And Recreation Impact Fee Fund	Public Works Facility Impact Fee Fund	General Government Facility Impact Fee Fund	Police Facility Impact Fee Fund	Court Facility Impact Fee Fund	Total Capital Project Funds	Total
\$ 18,807,261	\$ 79,945	\$ 77,103	\$ 145,279	\$ 7,006	\$ 10,448	\$ 10,620	\$ 994	\$ 19,351,262	\$ 22,312,089
-	-	-	-	-	-	-	-	-	389,560
-	-	-	-	-	-	-	-	-	339,357
6,611	29	-	-	2	4	4	-	6,725	7,799
-	-	-	-	-	-	-	-	-	21
-	-	-	-	-	-	-	-	-	3,972
-	-	-	-	-	-	-	-	-	29,414
\$ 18,813,872	\$ 79,974	\$ 77,103	\$ 145,279	\$ 7,008	\$ 10,452	\$ 10,624	\$ 994	\$ 19,357,987	\$ 23,082,212
\$ 215,083	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 215,083	\$ 610,223
-	-	-	-	-	-	-	-	-	885
-	-	-	-	-	-	-	-	-	313,529
-	-	-	-	-	-	-	-	-	763,633
215,083	-	-	-	-	-	-	-	215,083	1,688,270
-	-	-	-	-	-	-	-	-	29,414
18,598,789	-	-	-	-	-	-	-	18,598,789	18,598,789
-	-	-	-	-	-	-	-	-	61,354
-	79,974	77,103	-	-	-	-	-	369,758	369,758
-	-	-	-	7,008	10,452	10,624	994	29,078	29,078
-	-	-	145,279	-	-	-	-	145,279	2,295,162
-	-	-	-	-	-	-	-	-	10,387
18,598,789	79,974	77,103	145,279	7,008	10,452	10,624	994	19,142,904	21,393,942
\$ 18,813,872	\$ 79,974	\$ 77,103	\$ 145,279	\$ 7,008	\$ 10,452	\$ 10,624	\$ 994	\$ 19,357,987	\$ 23,082,212

Town of Parker, Colorado

	Special Revenue Funds					Debt Service Funds			Capital Project Funds
	Conservation Trust Fund	Law Enforcement Assistance Fund	Recreation Fund	Greater Parker Foundation Fund	Total Special Revenue Funds	General Debt Service Fund	Recreation Debt Fund	Total Debt Service Funds	Parkglenn Construction Fund
Revenue									
Taxes:									
Sales and use taxes	\$ -	\$ -	\$ 2,835,504	\$ -	\$ 2,835,504	\$ -	\$ -	\$ -	\$ -
Excise tax - New development	-	-	-	-	-	-	-	-	-
Intergovernmental	601,572	44,333	22,000	-	667,905	-	-	-	-
Charges for services	-	-	5,054,367	-	5,054,367	-	-	-	-
Fines and forfeitures	-	23,691	-	-	23,691	-	-	-	-
Net investment earnings (loss)	56	134	(369)	-	(179)	-	-	-	14
Other revenue:									
Contributions	-	-	149	22,144	22,293	-	-	-	-
Miscellaneous	-	94	14,634	-	14,728	-	-	-	-
Total revenue	601,628	68,252	7,926,285	22,144	8,618,309	-	-	-	14
Expenditures									
Current services:									
Public safety	-	127,680	-	-	127,680	-	-	-	-
Parks, recreation, and culture	-	-	7,266,984	25,863	7,292,847	-	-	-	-
Capital outlay	-	-	71,046	-	71,046	-	-	-	-
Debt service:									
Principal	-	-	-	-	-	544,500	1,275,500	1,820,000	-
Interest and fiscal charges	-	-	-	-	-	395,823	307,060	702,883	-
Total expenditures	-	127,680	7,338,030	25,863	7,491,573	940,323	1,582,560	2,522,883	-
Excess of Revenue Over (Under) Expenditures	601,628	(59,428)	588,255	(3,719)	1,126,736	(940,323)	(1,582,560)	(2,522,883)	14
Other Financing Sources (Uses)									
Transfers in	-	-	-	-	-	940,323	1,582,560	2,522,883	-
Transfers out	(575,000)	-	-	-	(575,000)	-	-	-	-
Total other financing (uses) sources	(575,000)	-	-	-	(575,000)	940,323	1,582,560	2,522,883	-
Net Change in Fund Balances	26,628	(59,428)	588,255	(3,719)	551,736	-	-	-	14
Fund Balances - Beginning of year	323,491	121,834	1,239,871	14,106	1,699,302	-	-	-	212,667
Fund Balances - End of year	\$ 350,119	\$ 62,406	\$ 1,828,126	\$ 10,387	\$ 2,251,038	\$ -	\$ -	\$ -	\$ 212,681

Other Supplemental Information
Combining Statement of Revenue, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds

Year Ended December 31, 2021

Capital Project Funds									
Excise Tax Fund	Hess Ranch Metropolitan Fund	Transportation Impact Fee Fund	Parks And Recreation Impact Fee Fund	Public Works Facility Impact Fee Fund	General Government Facility Impact Fee Fund	Police Facility Impact Fee Fund	Court Facility Impact Fee Fund	Total Capital Project Funds	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,835,504
8,440,405	-	-	-	-	-	-	-	8,440,405	8,440,405
-	50,133	-	-	-	-	-	-	50,133	718,038
-	-	-	-	-	-	-	-	-	5,054,367
-	-	-	-	-	-	-	-	-	23,691
(3,122)	(18)	156	295	-	1	1	-	(2,673)	(2,852)
-	-	-	-	-	-	-	-	-	22,293
-	-	-	-	-	-	-	-	-	14,728
8,437,283	50,115	156	295	-	1	1	-	8,487,865	17,106,174
-	-	-	-	-	-	-	-	-	127,680
-	-	-	-	-	-	-	-	-	7,292,847
-	-	-	-	-	-	-	-	-	71,046
-	-	-	-	-	-	-	-	-	1,820,000
-	-	-	-	-	-	-	-	-	702,883
-	-	-	-	-	-	-	-	-	10,014,456
8,437,283	50,115	156	295	-	1	1	-	8,487,865	7,091,718
-	-	-	-	-	-	-	-	-	2,522,883
(2,250,000)	-	-	-	-	-	-	-	(2,250,000)	(2,825,000)
(2,250,000)	-	-	-	-	-	-	-	(2,250,000)	(302,117)
6,187,283	50,115	156	295	-	1	1	-	6,237,865	6,789,601
12,411,506	29,859	76,947	144,984	7,008	10,451	10,623	994	12,905,039	14,604,341
\$ 18,598,789	\$ 79,974	\$ 77,103	\$ 145,279	\$ 7,008	\$ 10,452	\$ 10,624	\$ 994	\$ 19,142,904	\$ 21,393,942

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds Conservation Trust Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Intergovernmental	\$ 520,000	\$ 520,000	\$ 601,572	\$ 81,572
Net investment earnings	75	75	56	(19)
Total revenue	520,075	520,075	601,628	81,553
Expenditures	-	-	-	-
Excess of Revenue Over Expenditures	520,075	520,075	601,628	81,553
Other Financing Uses - Transfers out	(575,000)	(575,000)	(575,000)	-
Net Change in Fund Balance	(54,925)	(54,925)	26,628	81,553
Fund Balance - Beginning of year	339,213	323,491	323,491	-
Fund Balance - End of year	<u><u>\$ 284,288</u></u>	<u><u>\$ 268,566</u></u>	<u><u>\$ 350,119</u></u>	<u><u>\$ 81,553</u></u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Law Enforcement Assistance Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Intergovernmental	\$ 30,000	\$ 34,774	\$ 44,333	\$ 9,559
Fines and forfeitures	50,000	50,000	23,691	(26,309)
Net investment earnings	4,000	4,000	134	(3,866)
Other revenue	-	-	94	94
Total revenue	84,000	88,774	68,252	(20,522)
Expenditures - Current services - Public safety	128,567	133,341	127,680	5,661
Net Change in Fund Balance	(44,567)	(44,567)	(59,428)	(14,861)
Fund Balance - Beginning of year	121,043	121,834	121,834	-
Fund Balance - End of year	<u>\$ 76,476</u>	<u>\$ 77,267</u>	<u>\$ 62,406</u>	<u>\$ (14,861)</u>

Town of Parker, Colorado

Other Supplemental Information
Budgetary Comparison Schedule - Nonmajor Governmental Funds
(Continued)
Recreation Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Taxes - Sales and use taxes	\$ 2,835,500	\$ 2,835,500	\$ 2,835,504	\$ 4
Intergovernmental	-	-	22,000	22,000
Charges for services	6,577,700	6,577,700	5,054,367	(1,523,333)
Net investment earnings (loss)	20,000	20,000	(369)	(20,369)
Other revenue	5,000	5,000	14,783	9,783
Total revenue	9,438,200	9,438,200	7,926,285	(1,511,915)
Expenditures				
Current services - Recreation and culture	8,917,769	8,878,073	7,266,984	1,611,089
Capital outlay	535,500	550,500	71,046	479,454
Total expenditures	9,453,269	9,428,573	7,338,030	2,090,543
Net Change in Fund Balance	(15,069)	9,627	588,255	578,628
Fund Balance - Beginning of year	1,299,341	1,239,871	1,239,871	-
Fund Balance - End of year	<u><u>\$ 1,284,272</u></u>	<u><u>\$ 1,249,498</u></u>	<u><u>\$ 1,828,126</u></u>	<u><u>\$ 578,628</u></u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Greater Parker Foundation Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Other revenue	\$ 10,000	\$ 10,000	\$ 22,144	\$ 12,144
Expenditures - Current services - Recreation and culture	13,000	13,000	25,863	(12,863)
Net Change in Fund Balance	(3,000)	(3,000)	(3,719)	(719)
Fund Balance - Beginning of year	14,136	14,106	14,106	-
Fund Balance - End of year	<u>\$ 11,136</u>	<u>\$ 11,106</u>	<u>\$ 10,387</u>	<u>\$ (719)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) General Debt Service Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures - Debt service	940,323	940,323	940,323	-
Excess of Expenditures Over Revenue	(940,323)	(940,323)	(940,323)	-
Other Financing Sources - Transfers in	940,323	940,323	940,323	-
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Recreation Debt Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue	\$ -	\$ -	\$ -	\$ -
Expenditures - Debt service	1,582,620	1,582,620	1,582,560	60
Excess of Expenditures Over Revenue	(1,582,620)	(1,582,620)	(1,582,560)	60
Other Financing Sources - Transfers in	1,582,620	1,582,620	1,582,560	(60)
Net Change in Fund Balance	-	-	-	-
Fund Balance - Beginning of year	-	-	-	-
Fund Balance - End of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Parkglenn Construction Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 2,850	\$ 2,850	\$ 14	\$ (2,836)
Expenditures	-	-	-	-
Net Change in Fund Balance	2,850	2,850	14	(2,836)
Fund Balance - Beginning of year	213,527	212,667	212,667	-
Fund Balance - End of year	<u>\$ 216,377</u>	<u>\$ 215,517</u>	<u>\$ 212,681</u>	<u>\$ (2,836)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Excise Tax Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Taxes - Excise tax - New development	\$ 2,730,000	\$ 2,730,000	\$ 8,440,405	\$ 5,710,405
Net investment earnings (loss)	100,000	100,000	(3,122)	(103,122)
Total revenue	2,830,000	2,830,000	8,437,283	5,607,283
Expenditures	-	-	-	-
Excess of Revenue Over Expenditures	2,830,000	2,830,000	8,437,283	5,607,283
Other Financing Uses - Transfers out	(2,250,000)	(2,250,000)	(2,250,000)	-
Net Change in Fund Balance	580,000	580,000	6,187,283	5,607,283
Fund Balance - Beginning of year	10,453,384	12,411,506	12,411,506	-
Fund Balance - End of year	<u><u>\$ 11,033,384</u></u>	<u><u>\$ 12,991,506</u></u>	<u><u>\$ 18,598,789</u></u>	<u><u>\$ 5,607,283</u></u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Hess Ranch Metropolitan Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue				
Intergovernmental	\$ 25,000	\$ 25,000	\$ 50,133	\$ 25,133
Net investment earnings (loss)	35	35	(18)	(53)
Total revenue	25,035	25,035	50,115	25,080
Expenditures	-	-	-	-
Net Change in Fund Balance	25,035	25,035	50,115	25,080
Fund Balance - Beginning of year	22,316	29,859	29,859	-
Fund Balance - End of year	<u><u>\$ 47,351</u></u>	<u><u>\$ 54,894</u></u>	<u><u>\$ 79,974</u></u>	<u><u>\$ 25,080</u></u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Transportation Impact Fee Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 825	\$ 825	\$ 156	\$ (669)
Expenditures	-	-	-	-
Net Change in Fund Balance	825	825	156	(669)
Fund Balance - Beginning of year	77,046	76,947	76,947	-
Fund Balance - End of year	<u>\$ 77,871</u>	<u>\$ 77,772</u>	<u>\$ 77,103</u>	<u>\$ (669)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Parks and Recreation Impact Fee Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 1,600	\$ 1,600	\$ 295	\$ (1,305)
Expenditures	-	-	-	-
Net Change in Fund Balance	1,600	1,600	295	(1,305)
Fund Balance - Beginning of year	145,162	144,984	144,984	-
Fund Balance - End of year	<u>\$ 146,762</u>	<u>\$ 146,584</u>	<u>\$ 145,279</u>	<u>\$ (1,305)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Public Works Facility Impact Fee Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 90	\$ 90	\$ -	\$ (90)
Expenditures	-	-	-	-
Net Change in Fund Balance	90	90	-	(90)
Fund Balance - Beginning of year	7,030	7,008	7,008	-
Fund Balance - End of year	<u>\$ 7,120</u>	<u>\$ 7,098</u>	<u>\$ 7,008</u>	<u>\$ (90)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued)

General Government Facility Impact Fee Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 135	\$ 135	\$ 1	\$ (134)
Expenditures	-	-	-	-
Net Change in Fund Balance	135	135	1	(134)
Fund Balance - Beginning of year	10,480	10,451	10,451	-
Fund Balance - End of year	<u>\$ 10,615</u>	<u>\$ 10,586</u>	<u>\$ 10,452</u>	<u>\$ (134)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Police Facility Impact Fee Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 135	\$ 135	\$ 1	\$ (134)
Expenditures	-	-	-	-
Net Change in Fund Balance	135	135	1	(134)
Fund Balance - Beginning of year	10,651	10,623	10,623	-
Fund Balance - End of year	<u>\$ 10,786</u>	<u>\$ 10,758</u>	<u>\$ 10,624</u>	<u>\$ (134)</u>

Town of Parker, Colorado

Other Supplemental Information Budgetary Comparison Schedule - Nonmajor Governmental Funds (Continued) Court Facility Impact Fee Fund

Year Ended December 31, 2021

	Original Budget	Amended Budget	Actual	Variance with Amended Budget
Revenue - Net investment earnings	\$ 13	\$ 13	\$ -	\$ (13)
Expenditures	-	-	-	-
Net Change in Fund Balance	13	13	-	(13)
Fund Balance - Beginning of year	996	994	994	-
Fund Balance - End of year	<u>\$ 1,009</u>	<u>\$ 1,007</u>	<u>\$ 994</u>	<u>\$ (13)</u>

Other Supplemental Information Internal Service Funds Fund Descriptions

Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Fleet Services Fund

This fund accounts for the repairs and preventive maintenance of all town vehicles and equipment. Revenue is derived from participating departments based upon services rendered.

Technology Management Fund

This fund accounts for the purchasing of computer equipment, software, and computer repair and maintenance for all departments of the Town. Revenue is derived from all departments based on their estimated share of these costs.

Facility Services Fund

This fund accounts for the maintenance of town facilities. Funding is established through base rates charged to applicable departments and funds based on the square footage and amount of usage of each building.

Medical Benefits Fund

This fund accounts for the health care costs for the Town's health care. Funding is established through rates charged to applicable departments and employees' payroll deductions.

Town of Parker, Colorado

Other Supplemental Information Combining Statement of Net Position Internal Service Funds

December 31, 2021

	Fleet Services Fund	Technology Management Fund	Facility Services Fund	Medical Benefits Fund	Total Internal Service Funds
Assets					
Current assets:					
Equity in pooled cash and investments	\$ 2,380,504	\$ 1,281,280	\$ 192,810	\$ 1,608,385	\$ 5,462,979
Receivables:					
Accrued interest receivable	837	450	68	565	1,920
Accounts receivable	2,977	3,113	2,439	52	8,581
Due from other governments	7,559	-	-	-	7,559
Inventory	52,364	-	-	-	52,364
Prepaid expenses	2,243	105,454	5,130	-	112,827
Total current assets	2,446,484	1,390,297	200,447	1,609,002	5,646,230
Noncurrent assets - Capital assets - Net	4,891,781	374,908	-	-	5,266,689
Total assets	7,338,265	1,765,205	200,447	1,609,002	10,912,919
Liabilities					
Current liabilities:					
Accounts payable	24,814	145,428	20,129	125,441	315,812
Accrued liabilities and other	6,386	22,257	12,174	308,975	349,792
Compensated absences	13,320	74,844	35,943	-	124,107
Total current liabilities	44,520	242,529	68,246	434,416	789,711
Noncurrent liabilities - Compensated absences	13,320	74,843	35,944	-	124,107
Total liabilities	57,840	317,372	104,190	434,416	913,818
Net Position					
Net investment in capital assets	4,891,781	374,908	-	-	5,266,689
Unrestricted	2,388,644	1,072,925	96,257	1,174,586	4,732,412
Total net position	<u>\$ 7,280,425</u>	<u>\$ 1,447,833</u>	<u>\$ 96,257</u>	<u>\$ 1,174,586</u>	<u>\$ 9,999,101</u>

Town of Parker, Colorado

Other Supplemental Information Combining Statement of Revenue, Expenses, and Changes in Net Position Internal Service Funds

Year Ended December 31, 2021

	Fleet Services Fund	Technology Management Fund	Facility Services Fund	Medical Benefits Fund	Total Internal Service Funds
Operating Revenue					
Charges to other funds	\$ 2,386,189	\$ 3,225,928	\$ 1,088,300	\$ 4,091,480	\$ 10,791,897
Miscellaneous revenue	6,014	27,365	3,113	17,544	54,036
Total operating revenue	2,392,203	3,253,293	1,091,413	4,109,024	10,845,933
Operating Expenses					
Cost of sales and service	670,052	3,348,605	1,110,230	4,042,778	9,171,665
Depreciation	1,268,520	162,277	-	-	1,430,797
Total operating expenses	1,938,572	3,510,882	1,110,230	4,042,778	10,602,462
Operating Income (Loss)	453,631	(257,589)	(18,817)	66,246	243,471
Nonoperating Revenue (Expense)					
Investment income	149	191	(123)	122	339
Gain (loss) on sale of assets	237,345	-	-	-	237,345
Total nonoperating revenue (expense)	237,494	191	(123)	122	237,684
Income (Loss) - Before capital contributions	691,125	(257,398)	(18,940)	66,368	481,155
Capital Contributions	234,220	16,560	-	-	250,780
Transfers In	-	-	100,000	-	100,000
Change in Net Position	925,345	(240,838)	81,060	66,368	831,935
Net Position - Beginning of year	6,355,080	1,688,671	15,197	1,108,218	9,167,166
Net Position - End of year	\$ 7,280,425	\$ 1,447,833	\$ 96,257	\$ 1,174,586	\$ 9,999,101

Town of Parker, Colorado

Other Supplemental Information Combining Statement of Cash Flows Internal Service Funds

Year Ended December 31, 2021

	Fleet Services Fund	Technology Management Fund	Facility Services Fund	Medical Benefits Fund	Total Internal Service Funds
Cash Flows from Operating Activities					
Receipts from interfund services and reimbursements	\$ 2,386,189	\$ 3,225,928	\$ 1,088,300	\$ 4,091,480	\$ 10,791,897
Payments to suppliers	(272,996)	(1,977,398)	(413,487)	(171,206)	(2,835,087)
Payments to employees and fringes	(454,563)	(1,346,068)	(715,253)	(3,507,205)	(6,023,089)
Other receipts	3,534	26,795	3,065	20,542	53,936
Net cash and cash equivalents provided by (used in) operating activities	1,662,164	(70,743)	(37,375)	433,611	1,987,657
Cash Flows Provided by Noncapital Financing Activities - Transfers from other funds	-	-	100,000	-	100,000
Cash Flows from Capital and Related Financing Activities					
Proceeds from sale of capital assets	237,345	-	-	-	237,345
Purchase of capital assets	(1,496,829)	(42,273)	-	-	(1,539,102)
Net cash and cash equivalents used in capital and related financing activities	(1,259,484)	(42,273)	-	-	(1,301,757)
Cash Flows Provided by (Used in) Investing Activities - Proceeds from (losses on) investments	1	226	(146)	(34)	47
Net Increase (Decrease) in Cash and Cash Equivalents	402,681	(112,790)	62,479	433,577	785,947
Cash and Cash Equivalents - Beginning of year	1,977,823	1,394,070	130,331	1,174,808	4,677,032
Cash and Cash Equivalents - End of year	<u>\$ 2,380,504</u>	<u>\$ 1,281,280</u>	<u>\$ 192,810</u>	<u>\$ 1,608,385</u>	<u>\$ 5,462,979</u>
Classification of Cash and Cash Equivalents - Equity in pooled cash and investments	<u>\$ 2,380,504</u>	<u>\$ 1,281,280</u>	<u>\$ 192,810</u>	<u>\$ 1,608,385</u>	<u>\$ 5,462,979</u>

Town of Parker, Colorado

Other Supplemental Information Combining Statement of Cash Flows (Continued) Internal Service Funds

Year Ended December 31, 2021

	Fleet Services Fund	Technology Management Fund	Facility Services Fund	Medical Benefits Fund	Total Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash from Operating Activities					
Operating income (loss)	\$ 453,631	\$ (257,589)	\$ (18,817)	\$ 66,246	\$ 243,471
Adjustments to reconcile operating income (loss) to net cash from operating activities:					
Depreciation	1,268,520	162,277	-	-	1,430,797
Changes in assets and liabilities:					
Receivables	(2,480)	(570)	(48)	2,998	(100)
Prepaid and other assets	664	(33,016)	1,507	-	(30,845)
Accounts payable	(39,289)	82,914	(2,060)	41,409	82,974
Accrued and other liabilities	(18,882)	(24,759)	(17,957)	322,958	261,360
Total adjustments	1,208,533	186,846	(18,558)	367,365	1,744,186
Net cash and cash equivalents provided by (used in) operating activities	<u>\$ 1,662,164</u>	<u>\$ (70,743)</u>	<u>\$ (37,375)</u>	<u>\$ 433,611</u>	<u>\$ 1,987,657</u>
Significant Noncash Transactions -					
Contributed assets	\$ 234,220	\$ 16,560	\$ -	\$ -	\$ 250,780

Statistical Section

This part of the Town of Parker's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplemental information says about the government's overall financial health. Many of the schedules present data for the past fiscal years that will allow the reader to discern trends that cannot be seen in a single year's financial statements.

Contents

Financial Trend Information

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Revenue Capacity Information

These schedules contain information to help the reader assess the Town's most significant local revenue sources.

Debt Capacity Information

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

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Financial Trends

These schedules contain trend information to help the reader understand how the Town's financial performance and well-being have changed over time.

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Governmental Activities:				
Net investment in capital assets	\$ 503,835,736	\$ 500,377,927	\$ 520,379,154	\$ 541,402,220
Restricted	16,244,608	23,027,041	29,318,899	30,504,441
Unrestricted	<u>28,342,704</u>	<u>26,597,577</u>	<u>27,942,722</u>	<u>29,945,160</u>
Total governmental activities net position	<u>\$ 548,423,048</u>	<u>\$ 550,002,545</u>	<u>\$ 577,640,775</u>	<u>\$ 601,851,821</u>
Business Type Activities:				
Net investment in capital assets	\$ 7,720,729	\$ 8,102,532	\$ 8,554,595	\$ 9,179,752
Restricted	306,492	328,492	306,492	447,417
Unrestricted	<u>1,270,848</u>	<u>1,569,667</u>	<u>2,088,124</u>	<u>2,443,772</u>
Total business-type activities net position	<u>\$ 9,298,069</u>	<u>\$ 10,000,691</u>	<u>\$ 10,949,211</u>	<u>\$ 12,070,941</u>
Primary government in total:				
Net investment in capital assets	511,556,465	508,480,459	528,933,749	550,581,972
Restricted	16,551,100	23,355,533	29,625,391	30,951,858
Unrestricted	<u>29,613,552</u>	<u>28,167,244</u>	<u>30,030,846</u>	<u>32,388,932</u>
Total primary government net position	<u>\$ 557,721,117</u>	<u>\$ 560,003,236</u>	<u>\$ 588,589,986</u>	<u>\$ 613,922,762</u>

Net Position by Component

Last Ten Fiscal Years

December 31, 2021

As of December 31,

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 579,626,708	\$ 584,843,863	\$ 585,752,845	\$ 590,547,940	\$ 576,443,370	\$ 373,436,679
27,076,307	28,745,901	38,681,045	41,415,588	72,675,375	65,017,612
24,139,524	26,257,137	33,622,168	45,309,493	62,205,067	88,229,542
\$ 630,842,539	\$ 639,846,901	\$ 658,056,058	\$ 677,273,021	\$ 711,323,812	\$ 526,683,833
\$ 9,287,251	\$ 9,775,870	\$ 11,022,110	\$ 13,644,603	\$ 15,708,215	\$ 27,248,832
532,851	725,396	712,396	3,386,078	2,136,983	-
3,176,980	3,813,303	4,129,496	2,204,809	8,348,965	5,125,340
\$ 12,997,082	\$ 14,314,569	\$ 15,864,002	\$ 19,235,490	\$ 26,194,163	\$ 32,374,172
588,913,959	594,619,733	596,774,955	604,192,543	592,151,585	400,685,511
27,609,158	29,471,297	39,393,441	44,801,666	74,812,358	65,017,612
27,316,504	30,070,440	37,751,664	47,514,302	70,554,032	93,354,882
\$ 643,839,621	\$ 654,161,470	\$ 673,920,060	\$ 696,508,511	\$ 737,517,975	\$ 559,058,005

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
EXPENSES				
Governmental activities				
General government	\$ 7,482,851	\$ 7,360,189	\$ 6,809,852	\$ 7,808,349
Public Safety	12,256,800	12,627,487	14,711,684	14,828,040
Highways and streets	16,985,576	18,086,167	21,698,854	23,468,870
Economic development	3,593,093	2,793,641	1,397,949	1,759,381
Culture and recreation	12,098,279	13,372,138	14,162,538	15,671,430
Interest on long-term debt	<u>3,121,137</u>	<u>3,064,035</u>	<u>3,507,958</u>	<u>3,561,896</u>
Total governmental activities	<u>55,537,736</u>	<u>57,303,657</u>	<u>62,288,835</u>	<u>67,097,966</u>
Business-type activities				
Stormwater	<u>1,168,038</u>	<u>1,229,667</u>	<u>1,251,752</u>	<u>1,506,469</u>
Total business-type activities	<u>1,168,038</u>	<u>1,229,667</u>	<u>1,251,752</u>	<u>1,506,469</u>
Total primary government expenses	<u>56,705,774</u>	<u>58,533,324</u>	<u>63,540,587</u>	<u>68,604,435</u>
PROGRAM REVENUES				
Governmental activities				
Charges for services				
General government	1,785,865	1,662,328	1,896,754	1,739,854
Public Safety	2,744,541	2,258,982	2,370,645	2,382,837
Highways and streets	238,825	258,392	255,575	267,423
Economic development	-	-	-	-
Culture and recreation	5,229,698	5,617,513	6,131,830	6,468,303
Operating grants and contributions	623,401	681,578	1,286,208	1,316,066
Capital grants and contributions	<u>5,937,163</u>	<u>3,967,083</u>	<u>28,329,345</u>	<u>25,001,874</u>
Total governmental activities	<u>16,559,493</u>	<u>14,445,876</u>	<u>40,270,357</u>	<u>37,176,357</u>
Business-type activities				
Charges for services				
Stormwater utilities	1,623,624	1,853,095	1,865,036	1,987,122
Operating grants	-	-	-	-
Capital grants and contributions	<u>1,499,369</u>	<u>117,076</u>	<u>375,000</u>	<u>816,861</u>
Total business-type activities net position	<u>3,122,993</u>	<u>1,970,171</u>	<u>2,240,036</u>	<u>2,803,983</u>
Total primary government program revenues	<u>\$ 19,682,486</u>	<u>\$ 16,416,047</u>	<u>\$ 42,510,393</u>	<u>\$ 39,980,340</u>

Changes in Government-wide Net Position

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 7,883,833	\$ 8,048,173	\$ 7,926,193	\$ 8,432,893	\$ 8,368,381	\$ 9,802,563
17,299,104	18,288,040	16,844,948	17,976,017	17,922,311	18,766,964
24,484,988	22,718,957	22,119,916	20,844,246	21,062,557	21,265,789
2,710,275	2,736,806	3,012,606	3,109,442	2,551,686	1,833,232
18,146,809	20,304,997	20,922,780	21,205,803	16,739,075	18,133,134
<u>3,280,077</u>	<u>3,170,295</u>	<u>3,124,394</u>	<u>3,517,598</u>	<u>2,229,243</u>	<u>1,695,944</u>
<u>73,805,086</u>	<u>75,267,268</u>	<u>73,950,837</u>	<u>75,085,999</u>	<u>68,873,253</u>	<u>71,497,626</u>
1,272,332	1,343,807	1,354,836	1,529,804	1,509,654	2,180,341
<u>1,272,332</u>	<u>1,343,807</u>	<u>1,354,836</u>	<u>1,529,804</u>	<u>1,509,654</u>	<u>2,180,341</u>
<u>75,077,418</u>	<u>76,611,075</u>	<u>75,305,673</u>	<u>76,615,803</u>	<u>70,382,907</u>	<u>73,677,967</u>
2,035,526	2,460,930	2,677,116	3,768,340	3,634,870	3,917,756
2,585,946	3,163,844	3,449,530	3,490,506	3,982,473	5,278,293
371,664	349,746	-	-	-	-
-	-	-	-	29,758	21,322
7,752,464	8,487,493	8,800,811	9,164,455	3,476,993	7,047,558
1,346,955	1,635,599	2,026,371	5,013,073	6,078,032	2,903,200
<u>32,430,951</u>	<u>7,515,745</u>	<u>9,657,288</u>	<u>3,852,936</u>	<u>10,985,118</u>	<u>4,772,704</u>
<u>46,523,506</u>	<u>23,613,357</u>	<u>26,611,116</u>	<u>25,289,310</u>	<u>28,187,244</u>	<u>23,940,833</u>
2,051,464	2,153,532	2,315,726	2,546,330	2,677,509	2,933,754
-	25,000	-	-	-	-
<u>308,151</u>	<u>635,992</u>	<u>729,118</u>	<u>2,674,272</u>	<u>6,197,268</u>	<u>5,611,182</u>
<u>2,359,615</u>	<u>2,814,524</u>	<u>3,044,844</u>	<u>5,220,602</u>	<u>8,874,777</u>	<u>8,544,936</u>
<u>\$ 48,883,121</u>	<u>\$ 26,427,881</u>	<u>\$ 29,655,960</u>	<u>\$ 30,509,912</u>	<u>\$ 37,062,021</u>	<u>\$ 32,485,769</u>

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
NET REVENUE (EXPENSE)				
Governmental activities	\$ (39,871,061)	\$ (42,857,781)	\$ (22,018,478)	\$ (29,921,609)
Business-type activities	<u>1,954,955</u>	<u>740,504</u>	<u>988,284</u>	<u>875,653</u>
Total primary government	<u>(37,916,106)</u>	<u>(42,117,277)</u>	<u>(21,030,194)</u>	<u>(29,045,956)</u>
GENERAL REVENUES				
Governmental activities				
Taxes				
Sales and use	31,544,854	33,564,104	37,202,194	39,469,983
Sales and use shareback	2,264,021	2,363,634	2,571,241	2,766,212
Property	1,783,681	1,897,728	2,009,898	1,953,826
Road and bridge property shareback	1,205,315	1,223,658	1,231,030	1,238,675
Excise - new development	1,715,587	1,446,864	2,655,816	2,064,824
Impact Fees	-	-	-	-
Franchise	768,219	841,671	905,961	921,013
Excise - electric	948,387	1,032,692	1,033,396	1,075,865
Highway users	1,271,073	1,291,998	1,330,821	1,384,719
Other	359,894	379,373	448,856	473,986
Unrestricted investment earnings	128,753	57,196	165,731	186,084
Gain on disposal of property	-	210,196	50,343	85,506
Transfers	-	68,164	51,421	185,455
Total governmental activities	<u>41,989,784</u>	<u>44,377,278</u>	<u>49,656,708</u>	<u>51,806,148</u>
Business-type activities				
Unrestricted investment earnings	5,233	3,004	11,657	9,671
Contributions	-	22,000	-	-
Gain on disposal of property	-	5,278	-	-
Transfers	-	(68,164)	(51,421)	(185,455)
Total business-type activities	<u>5,233</u>	<u>(37,882)</u>	<u>(39,764)</u>	<u>(175,784)</u>
CHANGES IN NET POSITION				
Governmental activities	2,118,723	1,519,497	27,638,230	21,884,539
Business-type activities	<u>1,960,188</u>	<u>702,622</u>	<u>948,520</u>	<u>1,121,730</u>
Total primary government	<u>\$ 4,078,911</u>	<u>\$ 2,222,119</u>	<u>\$ 28,586,750</u>	<u>\$ 23,006,269</u>

Changes in Government-wide Net Position (Continued)

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ (27,281,580)	\$ (51,653,911)	\$ (45,529,369)	\$ (49,796,689)	\$ (40,686,009)	\$ (47,556,793)
<u>1,087,283</u>	<u>1,470,717</u>	<u>1,690,008</u>	<u>3,690,798</u>	<u>7,365,123</u>	<u>6,364,595</u>
<u>(26,194,297)</u>	<u>(50,183,194)</u>	<u>(43,839,361)</u>	<u>(46,105,891)</u>	<u>(33,320,886)</u>	<u>(41,192,198)</u>
42,280,470	45,358,682	47,684,424	50,111,702	53,283,712	63,114,436
2,826,421	3,009,442	3,182,342	3,232,350	3,250,904	3,965,706
2,304,313	2,753,090	3,998,245	4,717,538	6,390,001	7,089,301
1,416,787	1,483,059	1,661,505	1,695,754	1,970,715	2,039,177
2,798,039	3,321,992	3,735,299	2,531,440	4,922,145	8,469,216
-	-	-	246,834	-	-
958,966	1,005,952	1,012,200	1,042,282	1,002,133	1,101,070
1,109,342	1,127,580	1,182,279	1,196,227	1,143,598	1,484,309
1,410,917	1,437,765	1,517,429	1,475,292	1,075,771	1,329,308
469,440	471,191	227,877	218,155	178,891	1,433,742
390,806	427,883	1,122,493	2,083,243	1,047,897	(6,651)
121,277	76,403	-	-	-	-
185,520	185,234	224,785	462,835	471,033	185,244
<u>56,272,298</u>	<u>60,658,273</u>	<u>65,548,878</u>	<u>69,013,652</u>	<u>74,736,800</u>	<u>90,204,858</u>
24,378	32,004	84,210	143,525	64,583	658
-	-	-	-	-	-
-	-	-	-	-	-
<u>(185,520)</u>	<u>(185,234)</u>	<u>(224,785)</u>	<u>(462,835)</u>	<u>(471,033)</u>	<u>(185,244)</u>
<u>(161,142)</u>	<u>(153,230)</u>	<u>(140,575)</u>	<u>(319,310)</u>	<u>(406,450)</u>	<u>(184,586)</u>
28,990,718	9,004,362	20,019,509	19,216,963	34,050,791	42,648,065
926,141	1,317,487	1,549,433	3,371,488	6,958,673	6,180,009
<u>\$ 29,916,859</u>	<u>\$ 10,321,849</u>	<u>\$ 21,568,942</u>	<u>\$ 22,588,451</u>	<u>\$ 41,009,464</u>	<u>\$ 48,828,074</u>

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GENERAL FUND				
Nonspendable	\$ 151,265	\$ 261,426	\$ 318,111	\$ 44,718
Restricted	5,354,756	5,389,861	5,552,094	5,541,125
Assigned	3,916,400	3,558,911	8,786,164	9,507,005
Unassigned	<u>14,554,422</u>	<u>12,496,031</u>	<u>10,685,656</u>	<u>8,009,300</u>
Total general fund	<u>23,976,843</u>	<u>21,706,229</u>	<u>25,342,025</u>	<u>23,102,148</u>
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	20,844	61,087	185,781	81,162
Restricted	10,889,852	18,145,409	27,808,739	23,754,974
Assigned	11,412,243	11,394,563	9,229,681	12,404,934
Unassigned	<u>(124)</u>	<u>-</u>	<u>(280,669)</u>	<u>(64,666)</u>
Total all other governmental funds	<u>22,322,815</u>	<u>29,601,059</u>	<u>36,943,532</u>	<u>36,176,404</u>
Total governmental funds	<u>\$ 46,299,658</u>	<u>\$ 51,307,288</u>	<u>\$ 62,285,557</u>	<u>\$ 59,278,552</u>

Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 76,740	\$ 297,866	\$ 254,507	\$ 52,183	\$ 214,844	\$ 267,117
5,817,069	5,974,487	6,253,523	2,476,688	3,701,864	3,803,334
7,565,660	1,991,401	2,037,680	2,096,328	10,573,610	2,852,703
<u>7,452,185</u>	<u>11,239,476</u>	<u>14,537,546</u>	<u>21,991,508</u>	<u>25,833,874</u>	<u>21,311,169</u>
<u>20,911,654</u>	<u>19,503,230</u>	<u>23,083,256</u>	<u>26,616,707</u>	<u>40,324,192</u>	<u>28,234,323</u>
147,447	218,433	103,647	188,628	225,393	273,841
19,896,460	20,224,014	28,966,757	37,575,612	67,122,560	72,068,203
9,362,147	11,592,378	15,565,011	16,480,824	22,101,149	58,617,144
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>29,406,054</u>	<u>32,034,825</u>	<u>44,635,415</u>	<u>54,245,064</u>	<u>89,449,102</u>	<u>130,959,188</u>
<u>\$ 50,317,708</u>	<u>\$ 51,538,055</u>	<u>\$ 67,718,671</u>	<u>\$ 80,861,771</u>	<u>\$ 129,773,294</u>	<u>\$ 159,193,511</u>

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
REVENUES				
Taxes				
Sales and use	\$ 31,544,854	\$ 33,564,104	\$ 37,202,194	\$ 39,469,983
Excise - new development	1,715,587	1,446,864	2,655,816	2,064,824
Impact Fees	-	-	-	-
Other	3,599,435	3,877,752	4,095,755	4,110,357
License and permits	2,141,881	1,537,271	1,833,383	1,650,645
Intergovernmental	6,477,045	7,201,479	7,832,177	10,836,529
Charges for services	7,348,930	7,893,156	8,432,728	8,752,358
Fines and forfeitures	264,020	255,476	265,028	280,844
Contributions	708,839	222,933	3,763,471	3,225,342
Net investment earnings	127,886	56,315	165,227	183,151
Miscellaneous	341,041	165,790	148,563	176,243
Total revenues	<u>54,269,518</u>	<u>56,221,140</u>	<u>66,394,342</u>	<u>70,750,276</u>
EXPENDITURES				
Current				
General government	7,811,959	7,516,436	6,959,820	7,059,394
Public safety	11,232,977	11,715,663	13,275,289	14,008,600
Highways and streets	5,233,772	6,605,289	10,022,553	10,961,773
Economic development	3,593,093	2,793,641	1,397,949	1,759,381
Culture and recreation	9,775,301	11,076,229	11,863,793	13,268,624
Building	-	-	137,972	354,684
Debt Service				
Principal	1,880,000	1,930,000	1,975,000	2,765,000
Interest	3,148,723	3,091,892	3,428,097	3,650,044
Fiscal charges	1,150	1,150	650	72,362
Capital outlay	<u>9,739,601</u>	<u>6,958,392</u>	<u>26,612,624</u>	<u>20,067,312</u>
Total expenditures	<u>52,416,576</u>	<u>51,688,692</u>	<u>75,673,747</u>	<u>73,967,174</u>
Excess of revenues over (under) expenditures	<u>1,852,942</u>	<u>4,532,448</u>	<u>(9,279,405)</u>	<u>(3,216,898)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	6,470,751	5,409,859	5,639,137	18,413,380
Transfers out	(6,470,751)	(5,409,859)	(5,587,716)	(18,212,925)
Proceeds from sale of capital assets	-	410,664	-	-
Insurance recoveries	-	4,518	1,278	9,438
Payment to excrow agent	-	-	-	(9,880,000)
Bond issuance	-	-	20,204,976	9,880,000
Total other financing sources (uses)	<u>-</u>	<u>415,182</u>	<u>20,257,675</u>	<u>209,893</u>
NET CHANGE IN FUND BALANCE	<u>\$ 1,852,942</u>	<u>\$ 4,947,630</u>	<u>\$ 10,978,270</u>	<u>\$ (3,007,005)</u>
Debt service as a percentage of noncapital expenditures	<u>11.8%</u>	<u>11.2%</u>	<u>11.0%</u>	<u>12.0%</u>

Changes in Fund Balances, Governmental Funds

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 42,280,470	\$ 45,358,682	\$ 47,684,424	\$ 50,111,702	\$ 53,283,712	\$ 63,114,441
2,798,039	3,321,992	3,735,299	2,531,440	4,922,145	8,440,405
-	-	-	246,834	-	-
4,538,420	5,053,636	6,364,054	7,143,401	8,663,142	11,394,785
1,828,083	2,287,377	2,541,078	2,532,128	2,846,442	4,002,622
8,686,684	9,134,294	9,623,709	9,103,785	33,379,015	8,533,818
10,199,073	11,557,772	11,952,230	13,478,253	8,722,606	11,732,559
309,359	286,070	222,781	166,333	170,217	109,960
4,678,150	2,613,170	4,860,566	4,972,233	3,918,728	3,365,523
380,684	409,681	1,075,836	2,001,507	1,010,191	(6,651)
362,843	268,203	212,123	146,220	200,900	139,815
<u>76,061,805</u>	<u>80,290,877</u>	<u>88,272,100</u>	<u>92,433,836</u>	<u>117,117,098</u>	<u>110,827,277</u>
8,160,682	8,363,119	7,616,810	7,960,466	7,780,855	8,878,507
16,329,288	17,330,466	17,041,533	17,462,868	17,229,436	17,954,864
12,030,625	7,961,835	8,611,158	7,418,700	7,472,484	7,289,267
2,710,275	2,736,806	3,012,606	3,109,442	23,301,686	1,833,232
15,433,724	17,169,626	17,493,698	17,650,339	13,064,529	15,434,880
21,679	18,378	112,202	-	-	-
2,935,000	3,020,000	3,105,000	35,940,000	2,905,000	4,270,000
3,331,938	3,221,901	3,121,894	3,275,171	2,045,568	2,228,693
2,500	2,500	2,500	242,427	183,675	2,000
<u>24,321,608</u>	<u>19,454,724</u>	<u>12,929,014</u>	<u>16,845,088</u>	<u>14,680,257</u>	<u>23,628,072</u>
<u>85,277,319</u>	<u>79,279,355</u>	<u>73,046,415</u>	<u>109,904,501</u>	<u>88,663,490</u>	<u>81,519,515</u>
(9,215,514)	1,011,522	15,225,685	(17,470,665)	28,453,608	29,307,762
9,432,793	14,319,311	10,698,637	10,580,955	10,518,650	38,115,956
(9,247,273)	(14,134,077)	(9,812,347)	(10,118,120)	(11,047,617)	(38,030,712)
4,960	-	12,094	36,898	400	24,090
64,190	23,591	56,547	30,802	51,482	3,121
-	-	-	-	-	-
-	-	-	30,083,230	20,935,000	-
<u>254,670</u>	<u>208,825</u>	<u>954,931</u>	<u>30,613,765</u>	<u>20,457,915</u>	<u>112,455</u>
<u>\$ (8,960,844)</u>	<u>\$ 1,220,347</u>	<u>\$ 16,180,616</u>	<u>\$ 13,143,100</u>	<u>\$ 48,911,523</u>	<u>\$ 29,420,217</u>
<u>10.3%</u>	<u>10.4%</u>	<u>10.4%</u>	<u>42.4%</u>	<u>6.9%</u>	<u>11.2%</u>

Revenue Capacity

These schedules contain information to help the reader assess the Town's most significant local revenue sources.

Town of Parker, Colorado

Revenue Source	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Taxes				
Sales and use	\$ 31,544,854	\$ 33,564,104	\$ 37,202,194	\$ 39,469,983
Excise - new development	1,715,587	1,446,864	2,655,816	2,064,824
Impact Fee	-	-	-	-
Property	1,783,681	1,897,728	2,009,898	1,953,826
Other	1,815,754	1,980,024	2,085,857	2,156,531
Licenses and permits	2,141,881	1,537,271	1,833,383	1,650,645
Intergovernmental	6,477,045	7,201,479	7,832,177	10,836,529
Charges for services	7,348,930	7,893,156	8,432,728	8,752,358
Fines and forfeitures	264,020	255,476	265,028	280,844
Contributions	708,839	222,933	3,763,471	3,225,342
Investment earnings	127,886	56,315	165,227	183,151
Miscellaneous	341,041	165,790	148,563	176,243
Total revenues	<u>\$ 54,269,518</u>	<u>\$ 56,221,140</u>	<u>\$ 66,394,342</u>	<u>\$ 70,750,276</u>

Governmental Revenues by Source

Last Ten Fiscal Years

December 31, 2021

As of December 31,

	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$	42,280,470	\$ 45,358,682	\$ 47,684,424	\$ 50,111,702	\$ 53,283,712	\$ 63,114,441
	2,798,039	3,321,992	3,735,299	2,531,440	4,922,145	8,440,405
	-	-	-	246,834	-	-
	2,304,313	2,753,090	3,998,245	4,717,538	6,390,001	7,089,301
	2,234,107	2,300,546	2,365,809	2,425,863	2,273,141	4,305,484
	1,828,083	2,287,377	2,541,078	2,532,128	2,846,442	4,002,622
	8,686,684	9,134,294	9,623,709	9,103,785	33,379,015	8,533,818
	10,199,073	11,557,772	11,952,230	13,478,253	8,722,606	11,732,559
	309,359	286,070	222,781	166,333	170,217	109,960
	4,678,150	2,613,170	4,860,566	4,972,233	3,918,728	3,365,523
	380,684	409,681	1,075,836	2,001,507	1,010,191	(6,651)
	362,843	268,203	212,123	146,220	200,900	139,815
\$	76,061,805	\$ 80,290,877	\$ 88,272,100	\$ 92,433,836	\$ 117,117,098	\$ 110,827,277

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
DIRECT RATE				
Town of Parker	3.0%	3.0%	3.0%	3.0%
OVERLAPPING RATES				
Douglas County	1.0%	1.0%	1.0%	1.0%
State of Colorado	2.9%	2.9%	2.9%	2.9%
Regional Transportation District (RTD)	1.0%	1.0%	1.0%	1.0%
Scientific and Cultural Facilities District (SCFD)	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>
Total sales tax rate	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>

Direct and Overlapping Sales Tax Rates

Last Ten Fiscal Years

December 31, 2021

As of December 31,

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>	<u>0.1%</u>
<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>	<u>8.0%</u>

Town of Parker, Colorado

TYPE OF INDUSTRY	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Auto Use Tax	\$ 2,489,092	\$ 2,747,022	\$ 3,082,858	\$ 3,251,691
General Merchandise	15,561,659	16,397,322	17,333,739	18,627,288
Grocery*	4,162,266	4,519,288	4,803,681	5,053,227
Professional Services and Entertainment	2,094,441	2,262,630	2,547,818	2,924,659
Restaurants	2,833,048	2,969,441	3,207,908	3,859,879
Utilities	1,274,998	1,413,076	1,475,815	1,413,494
Business Services Support	27,667	20,987	35,786	277,931
Manufacturing and Production	53,549	85,019	133,674	166,702
Public Services	7,693	6,783	7,888	10,522
Other	358,358	\$ 560,346	\$ 524,674	\$ 716,152
Total sales taxes	28,862,771	30,981,914	33,153,841	36,301,545
Building use taxes	2,682,083	2,582,190	4,048,353	3,168,438
Total sales and use taxes	<u><u>\$ 31,544,854</u></u>	<u><u>\$ 33,564,104</u></u>	<u><u>\$ 37,202,194</u></u>	<u><u>\$ 39,469,983</u></u>

*Grocery category only includes stand alone grocery stores and not mixed retail establishments such as warehouse clubs.

Sales and Use Tax Revenue by Type of Industry

December 31, 2021

As of December 31,

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 3,244,919	\$ 3,318,230	\$ 3,657,666	\$ 3,885,904	\$ 3,752,239	\$ 5,456,831
19,705,651	20,768,595	21,360,800	22,447,121	25,310,211	29,426,275
5,980,393	6,194,657	6,762,532	7,087,238	7,928,777	7,991,373
3,426,352	3,847,803	3,663,570	4,003,132	3,940,029	4,771,412
4,087,621	4,406,531	4,753,647	5,200,900	5,206,115	6,670,389
1,395,223	1,446,326	1,520,283	1,584,235	1,576,941	1,811,089
81,265	142,294	89,729	95,217	176,324	333,068
216,111	266,927	225,913	257,418	274,398	507,907
9,707	11,273	10,784	11,492	4	2,161
<u>\$ 625,177</u>	<u>\$ 805,595</u>	<u>\$ 859,352</u>	<u>\$ 1,393,091</u>	<u>\$ 943,069</u>	<u>\$ 1,380,674</u>
38,772,420	41,208,232	42,904,276	45,965,748	49,108,107	58,351,179
<u>3,508,050</u>	<u>4,150,450</u>	<u>4,780,148</u>	<u>4,145,954</u>	<u>4,175,605</u>	<u>4,763,262</u>
<u>\$ 42,280,470</u>	<u>\$ 45,358,682</u>	<u>\$ 47,684,424</u>	<u>\$ 50,111,702</u>	<u>\$ 53,283,712</u>	<u>\$ 63,114,441</u>

Town of Parker, Colorado

TYPE OF INDUSTRY	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Aggregate top ten filers	\$ 15,225,597	\$ 16,299,120	\$ 17,332,923	\$ 18,185,261
Aggregate all other filers	<u>13,637,174</u>	<u>14,682,794</u>	<u>15,820,918</u>	<u>18,116,284</u>
Total sales taxes	<u>\$ 28,862,771</u>	<u>\$ 30,981,914</u>	<u>\$ 33,153,841</u>	<u>\$ 36,301,545</u>
Top ten filers as a percentage of total sales tax	<u>52.75%</u>	<u>52.61%</u>	<u>52.28%</u>	<u>50.10%</u>

2021 Top ten filers in alphabetical order: Amazon.com Services LLC, CORE Electric Cooperative, Costco Wholesale #1022, Dillon Companies Inc 75, Dillon Companies Inc 88, Dillon Companies Inc 126, Douglas County Auto Use, Target Corporation, The Home Depot USA Inc, Walmart Stores Inc

Source: Town of Parker Finance department

Principal Sales and Use Tax Payers

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 18,913,823	\$ 19,710,475	\$ 20,842,083	\$ 21,791,261	\$ 24,020,763	\$ 27,263,681
19,858,597	21,497,757	22,062,193	24,174,487	25,087,344	31,087,498
<u>\$ 38,772,420</u>	<u>\$ 41,208,232</u>	<u>\$ 42,904,276</u>	<u>\$ 45,965,748</u>	<u>\$ 49,108,107</u>	<u>\$ 58,351,179</u>
<u>48.78%</u>	<u>47.83%</u>	<u>48.58%</u>	<u>47.41%</u>	<u>48.91%</u>	<u>46.72%</u>

Debt Capacity

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

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
GOVERNMENTAL ACTIVITIES				
Sales and use tax revenue bonds	\$ 12,125,000	\$ 11,400,000	\$ 10,655,000	\$ 9,880,000
Certificates of participation	41,925,000	40,720,000	59,010,000	57,020,000
Discount	-	-	(63,065)	(59,803)
Premium	-	-	662,143	627,894
Tax increment revenue loans	-	-	-	-
Total governmental activities	<u>54,050,000</u>	<u>52,120,000</u>	<u>70,264,078</u>	<u>67,468,091</u>
Total primary government	<u>\$ 54,050,000</u>	<u>\$ 52,120,000</u>	<u>\$ 70,264,078</u>	<u>\$ 67,468,091</u>
Debt per capita	<u>\$ 1,152</u>	<u>\$ 1,090</u>	<u>\$ 1,428</u>	<u>\$ 1,320</u>
Debt as percentage of personal income	<u>3.42%</u>	<u>3.20%</u>	<u>4.17%</u>	<u>3.71%</u>

See Demographic and Economic Information for population and total personal income.

Ratios Of Ountstanding Debt by Type

**Current and Nine Years Ago
December 31, 2021**

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 8,985,000	\$ 8,070,000	\$ 7,135,000	\$ 6,180,000	\$ 5,205,000	\$ 4,210,000
54,980,000	52,875,000	50,705,000	40,935,000	39,005,000	37,040,000
(56,541)	(53,279)	(50,017)	-	-	-
593,645	559,396	525,147	5,254,048	4,728,517	4,211,954
-	-	-	-	20,935,000	19,625,000
<u>64,502,104</u>	<u>61,451,117</u>	<u>58,315,130</u>	<u>52,369,048</u>	<u>69,873,517</u>	<u>65,086,954</u>
<u>\$ 64,502,104</u>	<u>\$ 61,451,117</u>	<u>\$ 58,315,130</u>	<u>\$ 52,369,048</u>	<u>\$ 69,873,517</u>	<u>\$ 65,086,954</u>
<u>\$ 1,320</u>	<u>\$ 1,188</u>	<u>\$ 1,091</u>	<u>\$ 934</u>	<u>\$ 1,212</u>	<u>\$ 1,109</u>
<u>3.33%</u>	<u>2.81%</u>	<u>2.62%</u>	<u>2.12%</u>	<u>2.76%</u>	<u>2.39%</u>

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Pledged revenues				
Sales taxes (1)	\$ 24,052,309	\$ 25,818,525	\$ 27,628,021	\$ 30,251,287
Use taxes (2)	<u>2,234,997</u>	<u>2,209,197</u>	<u>3,459,942</u>	<u>2,686,658</u>
Total available revenues	<u>26,287,306</u>	<u>28,027,722</u>	<u>31,087,963</u>	<u>32,937,945</u>
Annual debt service				
<i>Principal</i>				
2006 Sales and use tax bonds (3)	700,000	725,000	745,000	775,000
2015 Sales and use tax bonds	-	-	-	-
<i>Interest</i>				
2006 Sales and use tax bonds	544,150	513,869	481,700	449,438
2015 Sales and use tax bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total debt service	<u>1,244,150</u>	<u>1,238,869</u>	<u>1,226,700</u>	<u>1,224,438</u>
Excess revenue coverage	<u>\$ 25,043,156</u>	<u>\$ 26,788,853</u>	<u>\$ 29,861,263</u>	<u>\$ 31,713,507</u>
Annual debt service coverage	<u>21.13</u>	<u>22.62</u>	<u>25.34</u>	<u>26.90</u>
Maximum annual debt service				
2006 Sales and use tax bonds	1,238,869	1,226,700	1,224,438	1,098,389
2015 Sales and use tax bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Combined maximum annual debt service	<u>\$ 1,238,869</u>	<u>\$ 1,226,700</u>	<u>\$ 1,224,438</u>	<u>\$ 1,098,389</u>
Maximum debt service coverage	<u>21.22</u>	<u>22.85</u>	<u>25.39</u>	<u>29.99</u>

(1) Sales taxes pledged included only 2.5% of the Town's 3.0% sales tax rate. Pledged sales tax revenues are reported in the General Fund.

(2) Use taxes pledged are reported in the Public Improvement Fund.

(3) 2006 Sales and use tax bonds were defeased with proceeds from the 2015 refunding issue.

Pledged-Revenue Debt Service Coverage

Last Ten Fiscal Years

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 32,309,990	\$ 34,340,193	\$ 35,753,563	\$ 37,986,431	\$ 40,923,357	\$ 49,429,311
<u>2,983,632</u>	<u>3,525,829</u>	<u>4,044,683</u>	<u>3,885,169</u>	<u>3,545,412</u>	<u>4,453,436</u>
<u>35,293,622</u>	<u>37,866,022</u>	<u>39,798,246</u>	<u>41,871,600</u>	<u>44,468,769</u>	<u>53,882,747</u>
-	-	-	-	-	-
895,000	915,000	935,000	955,000	975,000	995,000
-	-	-	-	-	-
<u>203,389</u>	<u>178,601</u>	<u>163,454</u>	<u>143,136</u>	<u>122,389</u>	<u>101,211</u>
<u>1,098,389</u>	<u>1,093,601</u>	<u>1,098,454</u>	<u>1,098,136</u>	<u>1,097,389</u>	<u>1,096,211</u>
\$ <u>34,195,233</u>	\$ <u>36,772,421</u>	\$ <u>38,699,792</u>	\$ <u>40,773,464</u>	\$ <u>43,371,380</u>	\$ <u>52,786,536</u>
<u>32.13</u>	<u>34.63</u>	<u>36.23</u>	<u>38.13</u>	<u>40.52</u>	<u>49.15</u>
-	-	-	-	-	-
<u>1,093,601</u>	<u>1,098,454</u>	<u>1,098,136</u>	<u>1,098,454</u>	<u>1,096,211</u>	<u>1,094,604</u>
\$ <u>1,093,601</u>	\$ <u>1,098,454</u>	\$ <u>1,098,136</u>	\$ <u>1,098,454</u>	\$ <u>1,096,211</u>	\$ <u>1,094,604</u>
<u>32.13</u>	<u>34.47</u>	<u>36.24</u>	<u>38.12</u>	<u>40.57</u>	<u>49.23</u>

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Pledged revenues				
Property Tax (3)	\$ -	\$ -	\$ -	\$ -
	-	-	-	-
Annual debt service				
<i>Principal</i>				
<i>Interest</i>				
	-	-	-	-
	-	-	-	-
Excess revenue coverage	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Annual debt service coverage	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Maximum annual debt service				
	-	-	-	-
Combined maximum annual	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Maximum debt service coverage	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

(3) Pledged property tax revenues only include tax increment collected in the Parker Central and Cottonwood Areas

Pledged-Revenue Coverage(Continued)

Last Ten Fiscal Years
December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ -	\$ -	\$ -	\$ -	\$ 3,288,608	\$ 3,878,625
-	-	-	-	3,288,608	3,878,625
				-	830,000
				-	480,000
				47,221	195,396
-	-	-	-	30,852	127,664
-	-	-	-	78,073	1,633,060
\$ -	\$ -	\$ -	\$ -	\$ 3,210,535	\$ 2,245,565
-	-	-	-	42.12	2.38
				1,025,396	1,027,780
-	-	-	-	607,664	610,080
\$ -	\$ -	\$ -	\$ -	\$ 1,633,060	\$ 1,637,860
-	-	-	-	2.01	2.37

Town of Parker, Colorado

Direct and Overlapping Governmental Activities Debt

December 31, 2021

GOVERNMENTAL ENTITY	Total Gross Bonded Debt Outstanding	Percentage Applicable to Town (a)	Amount Applicable to Town
Direct debt:			
Town of Parker	\$ 65,086,954	100.00%	\$ 65,086,954
Total direct debt	65,086,954		65,086,954
Overlapping debt:			
Antelope Heights Metro District	11,068,000	100.00%	11,068,000
Anthology West #2-6 Metro Districts	8,019,000	100.00%	8,019,000
Belford North Metro District	39,155,000	100.00%	39,155,000
Canterberry Crossing II Metro District	8,210,000	100.00%	8,210,000
Canterberry Crossing Metro District	7,880,000	100.00%	7,880,000
Carousel Farms Metro District	3,162,500	100.00%	3,162,500
Chambers Highpoint 2	11,300,000	100.00%	11,300,000
Cherry Creek South #4-11 Metro District	68,549,000	100.00%	68,549,000
Compark Business Park Metro District	48,045,000	70.00%	33,631,500
Cottonwood Highlands Metro Districts	19,155,000	100.00%	19,155,000
Cottonwood Water and Sanitation District	8,473,337	92.00%	7,795,470
Douglas County School District	382,950,000	3.00%	11,488,500
Hess Ranch #6	76,140,000	100.00%	76,140,000
Horsecreek Metro District	3,675,000	100.00%	3,675,000
Horseshoe Ridge Metro Districts	3,850,000	100.00%	3,850,000
Jordan Crossing Metro District	1,375,000	100.00%	1,375,000
Lincoln Meadows Metro District	7,086,000	100.00%	7,086,000
Meadowlark Metro District	9,609,000	100.00%	9,609,000
Neutowne Metro District	11,000,000	100.00%	11,000,000
Olde Town Metro District	910,000	100.00%	910,000
Overlook Metropolitan District	7,961,000	100.00%	7,961,000
Parker Automotive Metro District	15,261,000	100.00%	15,261,000
Parker Homestead Metro District	8,185,000	100.00%	8,185,000
Parker Water and Sanitation District	81,045,000	39.00%	31,607,550
Pine Bluffs Metro District	3,585,000	100.00%	3,585,000
Reata North Metro Districts	9,250,000	100.00%	9,250,000
Reata Ridge Metro Districts	5,739,000	100.00%	5,739,000
Regency Metro District	3,720,000	100.00%	3,720,000
Robinson Ranch Metro District	1,745,000	100.00%	1,745,000
Salisbury Heights Metro District	2,824,000	100.00%	2,824,000
Stonegate Village Metro District	12,320,000	15.00%	1,848,000
Stonegate Village North Metro District	12,320,000	16.00%	1,971,200
Trails at Crowfoot Metro Districts	35,105,000	100.00%	35,105,000
Village on the Green Metro District	1,302,000	100.00%	1,302,000
Westcreek Metro Districts	7,800,000	100.00%	7,800,000
Total overlapping debt	937,773,837		480,962,720
Grand total direct and overlapping debt	\$ 1,002,860,791		\$ 546,049,674

(a) percentage is the assessed valuation of the governmental entity in relation to the Town's assessed valuation

Source: Survey of all special districts and Douglas County

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government				
Town Clerk	2.5	2.5	3.0	3.0
Municipal Court	2.8	2.8	2.6	2.6
Town Administration	3.0	3.0	3.0	4.0
Finance	11.0	11.0	11.0	12.0
Legal Services	2.0	2.0	2.0	2.0
Human Resources	5.0	5.0	6.0	6.0
Risk Management	1.0	1.0	1.0	1.0
Community Development	21.0	22.0	22.5	22.0
P3 Support Services	0.0	0.0	0.0	0.0
Information Technology	9.0	9.0	10.0	11.0
Communications	3.5	3.5	3.5	3.5
Customer Service	2.6	2.6	2.6	2.6
Economic Development	1.0	3.0	4.0	4.0
Public Safety	93.3	96.3	100.3	109.5
Public Works	49.5	50.3	50.5	55.2
Parks, Recreation and Culture	<u>48.4</u>	<u>54.4</u>	<u>55.5</u>	<u>136.1</u>
	<u>255.6</u>	<u>268.4</u>	<u>277.5</u>	<u>374.5</u>

Source: Town of Parker Finance department - Prior to 2015, employee count only includes Full Time employees.

Full-Time Equivalent Government Employees

**Last Ten Fiscal Years
December 31, 2021**

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
3.0	3.0	3.0	3.0	3.0	3.0
2.6	3.4	2.8	2.8	2.8	2.0
4.0	4.0	3.8	6.8	3.8	3.8
12.3	12.3	11.8	11.8	13.3	14.8
2.0	3.0	4.0	4.0	5.0	5.0
6.0	6.0	6.0	6.0	6.0	6.0
1.0	1.0	1.0	1.0	1.0	1.0
23.8	24.8	24.3	24.8	24.8	24.5
0.0	0.0	2.8	2.8	2.3	2.3
11.0	12.0	12.0	12.5	12.5	12.5
3.0	4.0	4.0	4.0	4.0	4.0
2.6	2.6	2.6	2.6	1.8	2.0
4.0	4.0	3.0	2.0	0.0	0.0
118.1	121.5	121.0	122.4	123.9	127.4
57.6	57.9	58.6	58.2	57.5	58.9
<u>156.6</u>	<u>172.6</u>	<u>177.3</u>	<u>169.8</u>	<u>125.7</u>	<u>145.7</u>
<u>407.7</u>	<u>432.1</u>	<u>437.9</u>	<u>434.5</u>	<u>387.3</u>	<u>412.8</u>

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General government				
Town hall	1	1	1	1
Other office buildings	1	1	1	2
Public safety				
Police station	1	1	1	1
Public works				
Facilities	1	1	1	2
Miles of roadway	178	180	182	184
Parks, culture and recreation				
Ruth Chapel	1	1	1	1
Schoolhouse	1	1	1	1
PACE Center	1	1	1	1
Recreation Center with indoor pool	1	1	1	1
Fieldhouse	1	1	1	1
Outdoor pool	1	1	1	1
Parks				
Regional	1	1	1	2
Local	11	12	13	14
Source: Town of Parker				

Capital Asset Statistics

December 31, 2021

As of December 31,

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
1	1	1	1	1	1
2	2	2	2	2	2
1	1	1	1	1	1
2	2	2	2	2	2
187	189	194	196	201	203
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
1	1	1	1	1	1
2	2	2	2	2	2
14	14	14	15	17	17

Town of Parker, Colorado

		As of December 31,			
		<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Government					
<i>Building Permits:</i>					
Single-family residential units		381	332	347	312
Valuation	\$	119,581,591	\$ 117,231,450	\$ 119,630,934	\$ 106,788,354
Multi-family residential units		38	-	9	23
Valuation	\$	7,420,142	\$ -	\$ 34,373,298	\$ 49,091,908
Total commercial new, remodel and other		515	628	637	489
Valuation	\$	19,139,318	\$ 27,232,684	\$ 88,644,852	\$ 56,552,496
<i>Tax and Licensing:</i>					
Business licenses issued		749	631	487	492
Public Safety					
<i>Police:</i>					
Calls for service *		60,084	65,122	65,987	68,577
Total charges *		5,325	5,218	5,696	5,813
<i>Building Inspection:</i>					
Total building inspections		34,622	27,238	25,170	29,015
Highways and Streets					
<i>Streets:</i>					
New roadway additions (miles)		1	2	2	4
Parks and Recreation					
<i>Recreation:</i>					
Adult sports leagues		8	8	8	7
Youth sports leagues		17	23	24	26
Adult league attendance		6,584	6,036	5,183	5,306
Youth league attendance		9,360	10,576	11,083	10,047

* Parker Police Department reports incidents based on the National Incident Based Reporting System. The totals shown are based on charges, not the number of incidents that occurred. It is possible, even likely, that an incident had more than one Colorado State Statute or Municipal charge associated with it. Crime Statistics are by nature dynamic, which allows for additions, deletions and modifications at any time.

Source: Various Town of Parker departments.

Operating Indicators

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
291	421	394	393	390	639
\$ 104,587,047	\$ 154,363,845	\$ 146,872,169	\$ 142,960,689	\$ 142,801,970	\$ 243,978,942
39	19	44	31	26	21
\$ 46,291,379	\$ 48,540,272	\$ 61,744,162	\$ 17,487,795	\$ 46,044,240	\$ 67,538,218
779	1,024	952	904	751	842
\$ 74,862,413	\$ 56,268,320	\$ 86,277,189	\$ 106,229,817	\$ 49,912,840	\$ 48,634,056
482	519	552	926	644	648
73,133	85,894	89,417	69,370	63,603	67,218
5,183	6,097	6,061	2,348	1,583	2,015
27,707	33,972	40,658	37,456	31,497	40,066
0	3	5	2	5	2
28	28	28	30	10	24
30	34	34	31	13	23
5,997	6,116	6,500	6,402	2,640	3,600
10,442	10,474	10,500	7,473	4,570	4,073

Demographics and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the Town's financial activities take place.

Town of Parker, Colorado

	As of December 31,			
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Housing units	17,133	17,451	17,798	18,752
Population	46,919	47,823	48,789	50,677
Average persons per household	2.84	2.84	2.84	2.80
Median age	35.80	34.40	34.70	34.90
High school graduates - persons age 25+	97.2%	97.5%	97.4%	97.7%
Bachelor's degree or higher - persons age 25+	47.5%	48.5%	50.2%	53.5%
Unemployment rate	5.9%	5.0%	3.6%	2.7%
Median household income	\$ 95,618	\$ 96,772	\$ 98,170	\$ 100,469
Total personal income (in thousands)	\$ 1,579,683	\$ 1,629,552	\$ 1,686,485	\$ 1,818,381

Source: Town of Parker, Douglas County, Colorado Department of Labor and Employment, Bureau of Economic Analysis.

Demographic and Economic Statistics

December 31, 2021

As of December 31,					
<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
19,011	19,810	19,949	21,654	22,267	22,745
51,023	51,715	53,428	56,084	57,648	58,684
2.68	2.61	2.68	2.59	2.59	2.58
34.60	34.62	35.00	34.94	35.00	34.69
97.7%	97.8%	97.4%	98.0%	97.8%	97.7%
52.6%	53.7%	54.0%	55.0%	53.2%	54.7%
2.1%	2.4%	2.3%	2.5%	5.6%	3.8%
\$ 101,969	\$ 110,534	\$ 111,749	\$ 113,836	\$ 113,836	\$ 119,919
\$ 1,938,533	\$ 2,189,679	\$ 2,229,281	\$ 2,465,005	\$ 2,534,786	\$ 2,727,558