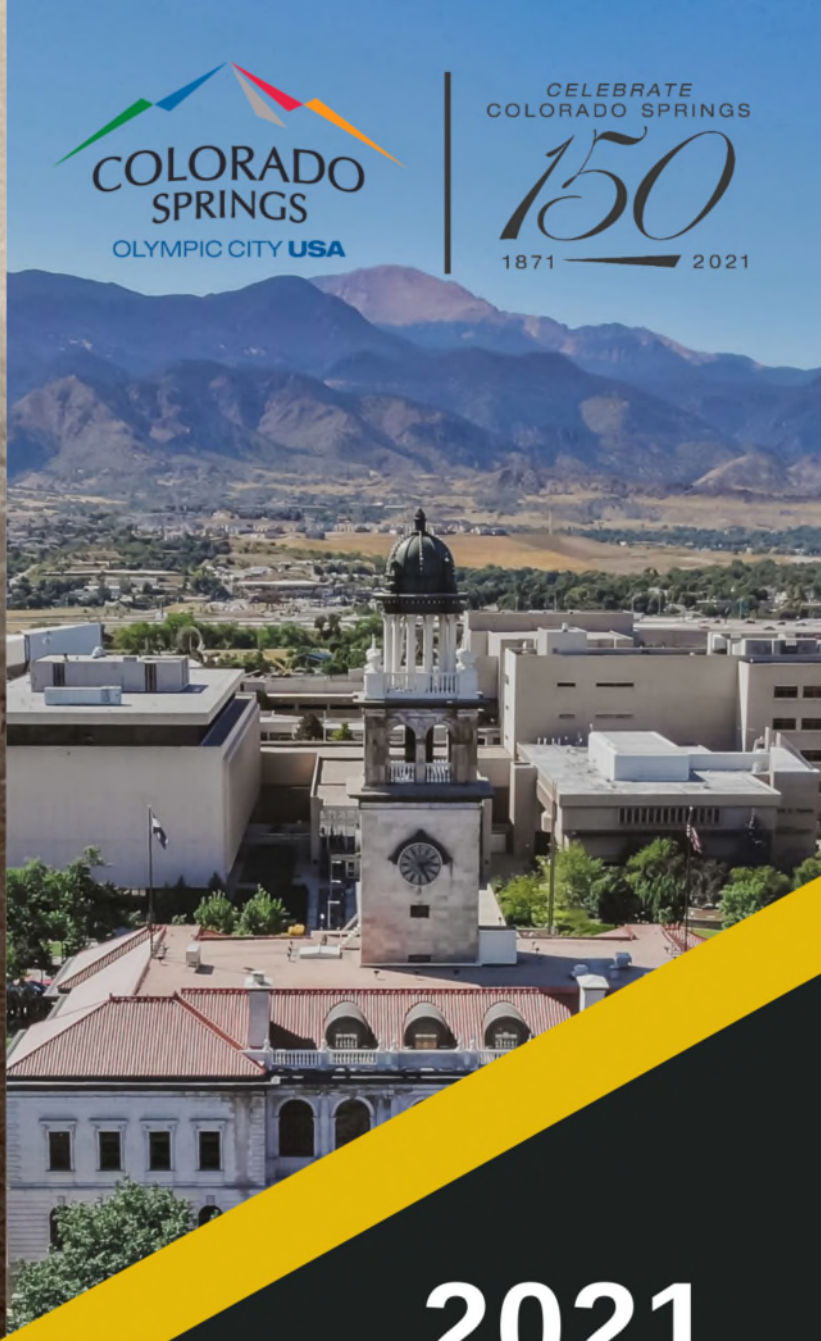
CITY OF
COLORADO SPRINGS
COLORADO

COLORADO SPRINGS
OLYMPIC CITY USA

CELEBRATE COLORADO SPRINGS 150
1871 2021



2021 ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR YEAR ENDED DECEMBER 31, 2021

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Annual Comprehensive Financial Report

City of Colorado Springs Colorado

For the fiscal year ended December 31, 2021

Finance Department

Charae McDaniel, Chief Financial Officer
Kerry George, Assistant Finance Director
Tracy Peters, Accounting Manager

Accounting Staff

Rochelle Kennedy, Accounting Supervisor
Jim Adams, Senior Accountant
Lucas Fetsch, Accountant I
Melanie McFarlane, Senior Accountant
Erin Phillips, Senior Accountant
Amy Tuten, Senior Accountant
Giovanni Villarreal, Accountant II

A special thanks to the Budget Division

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TABLE OF CONTENTS

	Exhibit	Page
I. INTRODUCTORY SECTION		
Letter of Transmittal		i
GFOA Certificate of Achievement		vi
City Organizational Chart		vii
City Leadership		viii
City Council		ix
II. FINANCIAL SECTION		
Independent Auditor's Report		1
A. Management's Discussion and Analysis (MD&A)		5
B. Basic Financial Statements		
Government-wide Financial Statements		
Statement of Net Position	1	31
Statement of Activities	2	33
Fund Financial Statements		
Governmental Fund Financial Statements		
Balance Sheet and Reconciliation of the Balance Sheet - Governmental Funds to the Statement of Net Position	3	34
Statement of Revenues, Expenditures and Changes in Fund Balances	4	36
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5	37
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund	6	38
Proprietary Fund Financial Statements		
Balance Sheet	7	42
Statement of Revenues, Expenses and Changes in Net Position	8	45
Statement of Cash Flows	9	46
Fiduciary Fund Financial Statements		
Statement of Fiduciary Net Position	10	49
Statement of Changes in Fiduciary Net Position	11	50
Component Unit Financial Statements		
Combining Statement of Net Position – Governmental Fund Component Units	12	52
Combining Statement of Activities – Governmental Fund Component Units	13	54
Combining Balance Sheet – Proprietary Fund Component Units	14	56
Combining Statement of Activities – Proprietary Fund Component Units	15	58

TABLE OF CONTENTS

	Exhibit	Page
Notes to Financial Statements		61
C. Required Supplementary Information Other than MD&A		
Schedule of the City's Proportionate Share of the Net Pension Liability and Contributions – Colorado PERA	16	182
Schedule of the Changes in the City's Net Pension Liability and Contributions – Old Hire Fire and Police Pension Plans	17	186
Schedule of the Changes in the City's Net Pension Liability and Contributions – New Hire Fire and Police Pension Plans	18	194
Schedule of the City's Proportionate Share of the Net Pension Liability (Asset) and Contributions – Fire and Police Pension Plan – Statewide	19	202
Schedule of the City's Proportionate Share of the Net OPEB Liability and Contributions – Colorado PERA	20	206
Schedule of the Changes in the City's Total OPEB Liability – The City of Colorado Springs OPEB Plan	21	209
Schedule of the Changes in the City's Total OPEB Liability – Colorado Springs Utilities OPEB Plan	22	210
D. Combining and Individual Fund Statements and Schedules		
Major Proprietary Funds		
Schedule of Revenues and Expenses – Budget and Actual Comparison	A-1	212
Non-Major Governmental Funds		
Combining Balance Sheet	B-1	216
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	B-2	217
Special Revenue Funds		
Combining Balance Sheet – All Special Revenue Funds	C-1	222
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – All Special Revenue Funds	C-2	224
Combining Balance Sheet – Intergovernmental Grant Special Revenue Funds	C-3	226
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Intergovernmental Grant Special Revenue Funds	C-4	227
Combining Balance Sheet – Capital, Operations and Maintenance Special Revenue Funds	C-5	228
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Capital, Operations and Maintenance Special Revenue Funds	C-6	230
Combining Balance Sheet – Improvement and Maintenance District Special Revenue Funds	C-7	232
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Improvement and Maintenance District Special Revenue Funds	C-8	234
Combining Balance Sheet – Public Improvements Special Revenue Funds	C-9	236

TABLE OF CONTENTS

	Exhibit	Page
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Public Improvements Special Revenue Funds	C-10	237
Combining Balance Sheet – Other Public Improvements Special Revenue Funds	C-11	238
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Other Public Improvements Special Revenue Funds	C-12	239
Combining Balance Sheet – Other Special Revenue Funds	C-13	240
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Other Special Revenue Funds	C-14	241
Schedule of Revenues and Expenditures – Budget and Actual – All Special Revenue Funds	C-15	242
Capital Projects Fund		
Balance Sheet	D-1	246
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	D-2	247
Annual Statement of Receipts and Expenditures for Roads, Bridges and Streets	D-3	248
Permanent Funds		
Combining Balance Sheet	E-1	252
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	E-2	253
Schedule of Revenues and Expenditures – Budget and Actual	E-3	254
Non-Major Proprietary Funds - Enterprise Funds		
Combining Balance Sheet	F-1	256
Combining Statement of Revenues, Expenses and Changes in Net Position	F-2	260
Combining Statement of Cash Flows	F-3	262
Schedule of Revenues and Expenses – Budget and Actual – Budget Basis	F-4	266
Non-Major Proprietary Funds - Internal Service Funds		
Combining Balance Sheet	G-1	268
Combining Statement of Revenues, Expenses and Changes in Net Position	G-2	270
Combining Statement of Cash Flows	G-3	272
Schedule of Revenues and Expenses – Budget and Actual – Budget Basis	G-4	276
Fiduciary Funds		
Combining Statement of Fiduciary Net Position	H-1	278
Combining Statement of Changes in Net Position	H-2	279
III. STATISTICAL SECTION		
Net Position by Component	Table 1	282
Changes in Net Position	Table 2	284
Fund Balances of Governmental Funds	Table 3	288
Changes in Fund Balances of Governmental Funds	Table 4	290
Sales and Use Tax Revenue	Table 5	292
Direct and Overlapping Sales and Use Tax Rates	Table 6	293
Principal Taxpayers	Table 7	294

TABLE OF CONTENTS

	Exhibit	Page
Ratios of Outstanding Debt by Type	Table 8	295
Ratios of General Bonded Debt Outstanding	Table 9	296
Direct and Overlapping Governmental Activities Debt	Table 10	297
Legal Debt Margin Information	Table 11	298
Pledged Revenue Coverage	Table 12	299
Demographic and Economic Statistics	Table 13	300
Principal Employers	Table 14	301
Full-time Equivalent City Government Employees by Function/Program	Table 15	302
Operating Indicators by Function/Program	Table 16	304
Capital Asset Statistics by Function/Program	Table 17	306
Sales and Use Tax Revenue Collection Costs and Required Refunds	Table 18	307
Assessed Valuations, Property Tax Levies and Collections	Table 19	308
Direct and Overlapping Mill Levy Rates – Within City Limits	Table 20	309
Municipal Solid Waste Landfill Closure and Postclosure Care Costs	Table 21	310

INTRODUCTORY SECTION

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FINANCE DEPARTMENT

30 South Nevada Avenue, Suite 202
Colorado Springs, CO 80903
719-385-5919

June 10, 2022

The Honorable Mayor and Members of City Council
City of Colorado Springs
107 North Nevada Avenue
Colorado Springs, Colorado 80903

Dear Honorable Mayor and Members of City Council:

The Annual Comprehensive Financial Report of the City of Colorado Springs for the fiscal year ended December 31, 2021, is hereby presented. State law requires that every general-purpose local government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report fulfills this requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

FORVIS, LLP, Certified Public Accountants, have issued unmodified ("clean") opinions on the City of Colorado Springs' financial statements for the year ended December 31, 2021. The independent auditor's report is located at the front of the financial section of this report.

Generally accepted accounting principles (GAAP) require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

PROFILE OF THE CITY OF COLORADO SPRINGS

Founded on July 31, 1871, the City of Colorado Springs (the City) became a home-rule city, organized under provisions of the Colorado Constitution on May 11, 1909. With a population of approximately 490,000, the City is the second most populated city in Colorado and covers approximately 195 square miles.

Major industries located within the government's boundaries or in close proximity include aerospace, defense, homeland security, cybersecurity, life sciences, sports and related organizations. The City also has a significant military presence with Peterson Space Force Base, the Air Force Academy, Fort Carson, Cheyenne Mountain Space Force Station, and Schriever Space Force Base located within or in close proximity to the City.

The City provides a full range of municipal government services. These services include, but are not limited to, police and fire protection, traffic and street construction and maintenance, parks, recreation, cultural services, municipal court, planning and zoning, building and code enforcement, mass transit, and economic development.

Additionally, the City owns and operates major enterprise activities that include electric generation and distribution, natural gas distribution, waterworks, sewage collection and treatment, health system, municipal airport, parking facilities, golf courses, tourist highway, cemeteries, stormwater operations, and a development review activity.

Pursuant to the City Charter, the Mayor of the City is the chief executive, exercising all administrative and executive powers granted to the City, except as otherwise delegated by the City Charter. Policy-making and legislative authority are vested in the governing council (Council) consisting of nine members, all elected on a non-partisan basis.

The Council also has significant control over several legally separate entities. These entities are component units of the City and, accordingly, their financial data have been included in this report. The entities included as Governmental-type component units are the General Improvement Districts (Spring Creek, Briargate, and Market Place at Austin Bluffs), Colorado Springs Health Foundation, Colorado Springs Urban Renewal Authority, Colorado Springs Downtown Development Authority, and Business Improvement Districts (Barnes & Powers North, Barnes & Powers South, Briargate Center, Creekwalk Marketplace, First & Main, First & Main No. 2, First & Main North, GSF, Greater Downtown Colorado Springs, Interquest North, Interquest South, Interquest Town Center, MW Retail, Park Union (formerly Southwest Downtown) and Powers & Woodmen Commercial). Public Authority for Colorado Energy (PACE), Fountain Valley Authority, Aurora-Colorado Springs Joint Water Authority and Twin Lakes, Lake Meredith, Colorado Canal and Lake Henry Reservoir companies, and the Pikes Peak Regional Communications Network are included as Business-type component units.

LOCAL ECONOMY

In the November 2021 election, the voters approved Issue 2D, which allows the City to retain and spend up to $20 million of revenue collected in excess of the TABOR cap for the purpose of establishing a Wildfire Mitigation Fund, which would be utilized solely to increase City-wide and Pikes Peak region wildfire mitigation and prevention efforts. It also allows the City to reset the revenue limitations for 2022 and later years based upon the total revenues received in 2021.

Colorado Springs has been ranked the #1 most desirable city to live in the United States by U.S. News and World Report for four years in a row, based on affordability, job market, net migration and quality of life indicators, including health care and education.

Important contributing factors in achieving our current national status are the various ways in which we have experienced a renewed investment in public infrastructure:

- In 2013, under state legislation known as the Regional Tourism Act, Colorado Springs applied to the Colorado Economic Development Commission and secured $120.5 million in state sales tax increment financing to support four local projects:
    - the ***U.S. Olympic and Paralympic Museum*** opened on July 30th, 2020, where people near and far can experience leading-edge technology and immerse themselves in the Olympic movement;
    - the ***Hybl Sports Medicine and Performance Center at UCCS*** opened in August 2020, a state-of-the-art facility that will attract physicians, researchers, athletes and students to explore human potential for excellence and injury recovery;

- two downtown area stadiums, ***Weidner Field*** which opened in April 2021 and is the home of the ***Colorado Springs Switchbacks Football Club*** and other sports and community events; also ***Robson Arena at Colorado College*** is now the home of the Colorado College hockey team as of October 2021 and will host many other events;
- the new ***Air Force Academy Visitor Center*** adjacent to I-25, and situated on a 59 acre development surrounded by office, hotel, recreation and dining amenities; construction on the U.S. Air Force Academy Visitor Center project is now moving ahead full steam after being delayed by the bond market collapse in the wake of the COVID-19 pandemic.

- In the Summer of 2021, the new state-of-the-art Pikes Peak Summit Complex opened to the public after three years of construction, and is the highest altitude visitor center in the world.
- In November of 2019, voters in Colorado Springs passed Issue 2C2, agreeing to continue investment in our roads with approximately $340 million over 5 years, 2021-2025, at a reduced sales tax rate of 0.57%. This is a continuation of Issue 2C which was passed by voters in November of 2015, for 2016-2020, at a sales tax rate of 0.62%. Funding received from 2C2 will allow for paving of over 850 lane miles in years 2021-2025.
- In November of 2017, voters passed Issue 2A, agreeing to invest in our stormwater program, including reinstating a stormwater fee which will allow us, over the next 20 years, not only to meet our various legal obligations, but to create the best stormwater program in Colorado.

General Fund dollars freed up by the passage of the stormwater fee in 2018 has allowed us to hire 120 police officers and 32 firefighters by the end of 2022. In the 2022 Budget, 17 police officers will be added to the ranks, fulfilling the commitment of 120. The full complement of 32 additional firefighters was added by the end of 2021. The additional sworn personnel are essential to reducing critical incident response times and making our public safety capabilities among the best in the country.

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LONG-TERM STRATEGIC AND FINANCIAL PLANNING

As stated in the City Charter, the Mayor maintains a Strategic Plan (Plan) that prioritizes goals for the City and establishes measurable outcomes. The 2021 Plan encompasses the years 2020 through 2024. The Plan details four platform goals, with objectives for each goal, and initiatives to achieve each objective. The Plan and initiatives incorporate the City's fervent commitment to delivering "best in class" municipal government and offer game-changing new ideas with real, measurable outcomes.

Promoting Job Creation - Collaborate with regional partners to attract a diverse economic base to Olympic City USA. This focus includes corporate and small businesses, entrepreneurial start-ups and Opportunity Zones to create diverse and sustainable economic growth.

Investing in Infrastructure - Continue to address infrastructure and transportation needs by providing smart and innovative mobility solutions to create a connected, safe, and accessible community. This should include trails and multi-modal access, as well as traditional modes of transit.

Excelling in City Services - Provide excellent and sustainable delivery of core services by making data driven investments and decisions. Support continuous improvement and cross departmental collaboration to improve service delivery to residents and provide for their public safety.

Building Community & Collaborative Relationships - Provide strategic city services and community partnerships to improve citizen quality of life by reducing crime, reducing the number of persons experiencing chronic homelessness, increasing affordable housing opportunities, and facilitating community investment. Collaborate with other governmental agencies and military installations.

As a budgeting and financial planning best-practice, the City develops a five-year financial forecast and includes that as part of its annual budget document. The forecast is useful to understand what the future financial condition of the City could be based upon a set of reasonable assumptions. However, actual experience will differ from the assumptions - impacting financial results. The City will make strategic adjustments to changing conditions. For example, if revenue is trending under budget, the City will take actions to modify expenditures mid-year.

FINANCIAL POLICIES

The City has administratively approved financial policies that are included in the annual budget document. Included are policies concerning: budget, debt, cash management, investments, fund balance, capital improvement program, revenue, expenditures, and grants. The financial policies that had a significant impact to the City's financial statements this year include:

- The City has a General Fund unrestricted fund balance goal of 16.7% to 20% of the following year's expenditure budget.
- The City annually prepares a five-year capital improvement plan included in the annual budget document.
- Current operating expenditures will be funded with current operating revenues, approved grants, or the use of fund balance in accordance with fund balance policies.
- The City is limited by City Charter Amendment #3, "Taxpayers Bill of Rights" and similar statewide constitutional amendments. These provisions limit the growth of "fiscal year spending" as defined in the amendments. These amendments also require voter approval for the issuance of general fund debt.

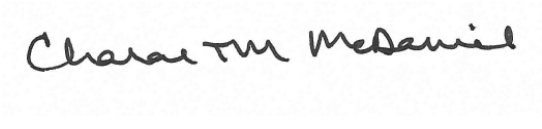
AWARDS AND ACKNOWLEDGMENTS

The Government Financial Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its annual comprehensive financial report (ACFR) for the fiscal year ended December 31, 2020. This was the 31st consecutive year that the City has received this prestigious award. To receive this Certificate of Achievement award, the City must publish an easily readable and effectively organized ACFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

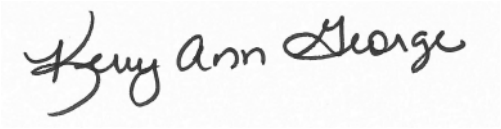
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to GFOA to determine its eligibility for another certificate.

The preparation of this report is due to the effective and dedicated efforts of the staff of the Accounting Office. Beyond these efforts, this report is representative of the excellence of the financial processes existing in Colorado Springs City government. Each department and agency of the City must be credited for the excellence of its individual systems of financial administration. For the efforts of all of these people, we wish to express our sincere gratitude.

Sincerely,



Charae McDaniel, Chief Financial Officer



Kerry George, Assistant Finance Director

Tracy Peters, Accounting Manager

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Colorado Springs
Colorado

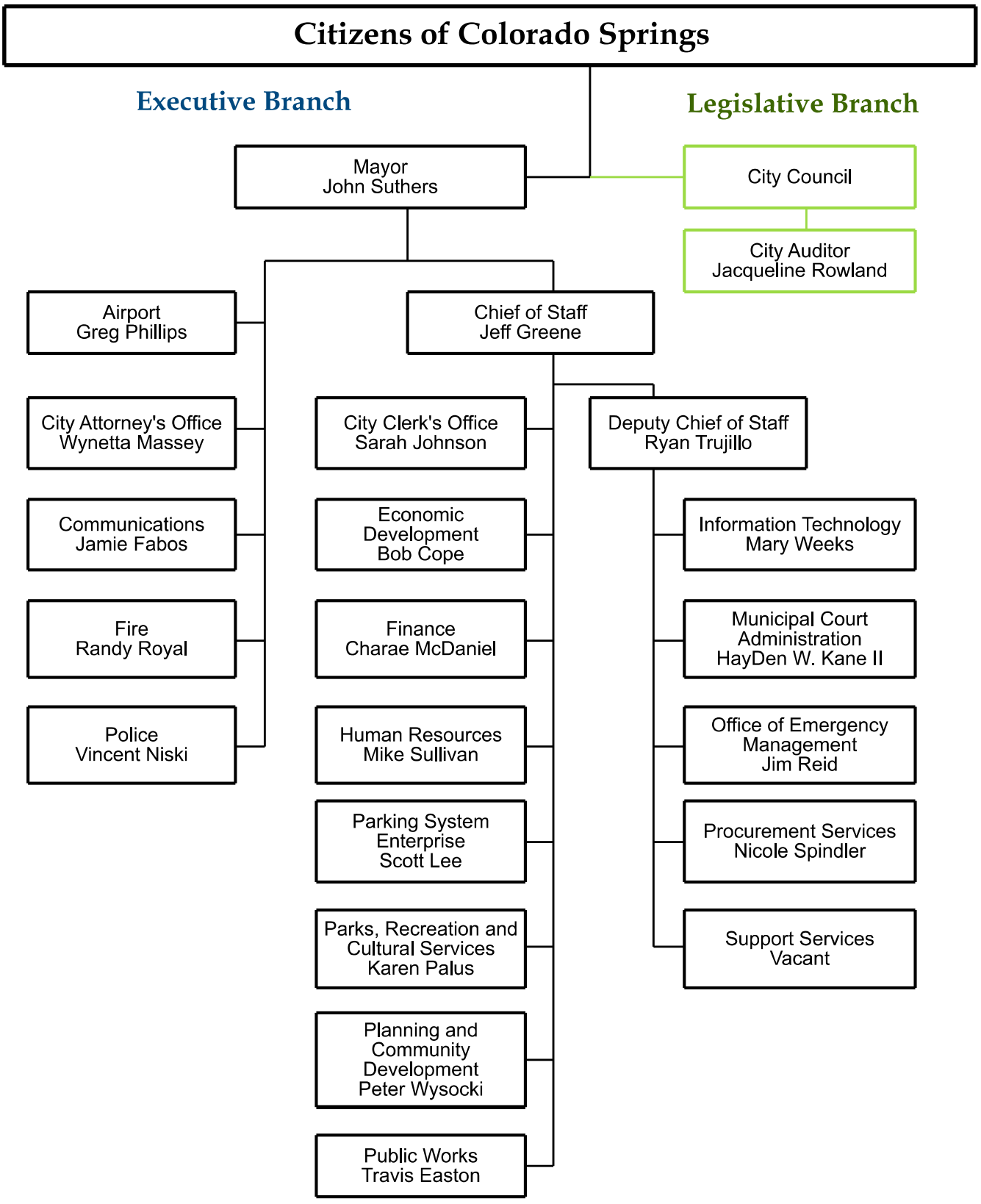
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

City Organizational Chart



As of December 31, 2021

City Leadership

Mayor's Office

Mayor	John Suthers
Chief of Staff/Chief Administrative Officer	Jeff Greene
Deputy Chief of Staff	Ryan Trujillo

John Suthers
Mayor

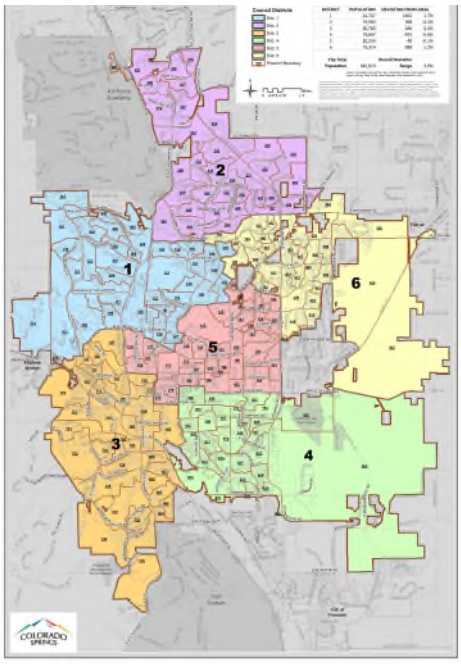
Department Heads

Chief Communications Officer	Jamie Fabos
Chief Financial Officer	Charae McDaniel
Chief Human Resources and Risk Officer	Mike Sullivan
Chief Information Officer	Mary Weeks
City Attorney	Wynetta Massey
City Clerk	Sarah Johnson
Director of Aviation	Greg Phillips
Fire Chief	Randy Royal
Office of Emergency Management Regional Director	Jim Reid
Parks, Recreation and Cultural Services Director	Karen Palus
Planning and Community Development Director	Peter Wysocki
Public Works Director	Travis Easton
Police Chief	Vincent Niski
Presiding Municipal Court Judge/Court Administrator	HayDen W. Kane II

As of December 31, 2021

City Council

Council District Map



Colorado Springs City Council

Front Row (from left to right):

Council President Pro Tem Randy Helms, District 2

Councilmember Richard Skorman, District 3

Councilmember Yolanda Avila, District 4

Council President Tom Strand, At Large

Councilmember Wayne Williams, At Large

Councilmember Nancy Henjum, District 5

Councilmember Dave Donelson, District 1

Councilmember Mike O'Malley, District 6

Councilmember Bill Murray, At Large (not pictured)

City Council's Direct Reports

City Auditor	Jacqueline Rowland
Utilities Chief Executive Officer	Aram Benyamin
City Council Administrator	Emily Evans

As of December 31, 2021

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FINANCIAL SECTION

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FORVIS

111 S. Tejon Street, Suite 800 / Colorado Springs, CO 80903
P 719.471.4290 / F 719.632.8087
forvis.com

Independent Auditor's Report

Honorable Mayor and Members
of City Council and City Auditor
City of Colorado Springs
Colorado Springs, Colorado

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the City of Colorado Springs, Colorado (the City), as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements, referred to above, present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

With the exception of Colorado Springs Health Foundation, the Pikes Peak Regional Communications Network, the MW Retail Business Improvement District and the GSF Business Improvement District we did not audit the financial statements of the discretely presented component units, which represent 55.79 percent, 16.46 percent, and 61.87 percent, respectively, of the assets, net position, and revenues of the aggregate discretely presented component units as of and for the year ended December 31, 2021. Those financial statements were audited by other auditors, whose reports have been furnished to us, and our opinion on the aggregate discretely presented component units, insofar as it relates to the amounts of the aggregate discretely presented component units, excluding the Colorado Springs Health Foundation and the Pikes Peak Regional Communications Network, is based solely on the reports of the other auditors. We did not audit the financial statements of Colorado Springs Utilities, included as an enterprise fund of the City, or Public Authority for Colorado Energy, included as a blended component unit (enterprise fund), which represent 90.18 percent, 82.47 percent, and 92.72 percent, respectively, of the assets, net position, and total revenues of the enterprise funds as of and for the year ended December 31, 2021. Those financial statements were audited by other auditors, whose reports have been furnished to us and our opinion on the enterprise fund information, insofar as it relates to the amounts included for Colorado Springs Utilities and Public Authority for Colorado Energy, is based solely on the reports of the other auditors.

FORVIS is a trademark of FORVIS, LLP, registration of which is pending with the U.S. Patent and Trademark Office.

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Honorable Mayor and Members
of City Council and City Auditor
City of Colorado Springs

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 City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these 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 City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City'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 City's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund statements and schedules and the Annual Statement of Receipts and Expenditures for Roads, Bridges, and Streets as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund statements and schedules and the Annual Statement of Receipts and Expenditures for Roads, Bridges, and Streets are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Mayor and Members
of City Council and City Auditor
City of Colorado Springs

Other Information

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

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

FORVIS, LLP

Colorado Springs, Colorado
June 10, 2022

The following discussion and analysis of the City of Colorado Springs' (City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2021. Please read the information presented here in conjunction with the transmittal letter, located at the front of this report, and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- On the government-wide financial statements, the City's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at December 31, 2021, by $3.9 billion (net position). The City's net position increased by $271.7 million or 7.5% as a result of current year activity.
    - The governmental net position increased by $138.7 million or 9.6%. This is primarily due to the net impact of capital assets donated by the Pikes Peak Rural Transportation Authority and developers, offset by a decrease in net pension liability.
    - The business-type net position increased by $133.0 million or 6.2%, which was primarily due to an increase in Colorado Springs Utilities' (Utilities) net position of $107.7 million, which is a combination of reduced non-operating expenses and increased investment gains.
- The City's governmental funds reported combined ending fund balances of $294.7 million. This was an increase of $48.3 million or 19.6%, largely due to increased tax revenues.
- The General Fund, the City's primary operating fund presented on a current financial resources basis, ended 2021 with a total fund balance of $149.0 million or 42.5% of 2021 total General Fund expenditures and other financing uses. Of this, $96.3 million was "unrestricted" which the Government Finance Officers Association (GFOA) defines as the sum of committed, assigned and unassigned fund balances. GFOA adopted a recommended best practice to maintain an unrestricted fund balance of at least 16.7% of expenditures and the City has adopted a target range of 16.7% to 20% of expenditures. For 2021 the $96.3 million in unrestricted fund balance represents 27.5% of 2021 total General Fund expenditures and other financing uses. Unrestricted fund balance decreased from 2020 by $10.2 million. Restricted fund balance increased by $32.7 million primarily due to 2021 revenue received in excess of the Taxpayer's Bill of Rights (TABOR) limits. Additional information on TABOR is presented in Note IV.D.3 in the notes to the financial statements. See General Fund Budgetary Highlights for additional information on other General Fund changes.
- The City's total long-term debt is $2.8 billion. This is a $73.0 million or 2.7% increase from 2020. Governmental activity debt decreased by $3.9 million due to debt repayments. The City's business-type activity debt increased by $76.9 million largely due to new debt issuances for Utilities exceeding repayments.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is an introduction to the City's basic financial statements. The City's basic financial statements are comprised of three components:

1) Government-wide financial statements
2) Fund financial statements
3) Notes to the financial statements

In addition to the basic financial statements, this report also contains certain other supplementary information.

The following table summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Major Features of the City's Government-wide and Fund Financial Statements

		Fund Statements		
	Government-wide Statements	**Governmental Funds**	**Proprietary Funds**	**Fiduciary Funds**
Scope	Entire City government (except fiduciary funds) and the City's component units	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks	Activities the City operates similar to private businesses; the utilities system, airport, and parking system	Instances in which the City is the trustee or agent for someone else's resources
Required financial statements	• Statement of net position • Statement of activities	• Balance sheet • Statement of revenues, expenditures, and changes in fund balances	• Balance sheet • Statement of revenues, expenses, and changes in net position • Statement of cash flows	• Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term
Type of inflow/ outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the City's finances, using the accrual basis of accounting, the basis of accounting used by most private-sector businesses. These two reports include:

Statement of net position – This statement presents information on all of the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between the two 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 City is improving or deteriorating.

Statement of activities – This statement presents information showing how the City's net position changed during the 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 reported in this statement for some items will result in cash flows in future fiscal periods.

The government-wide financial statements of the City are divided into three categories:

Governmental activities – Most of the City's basic services are included here, such as public safety, public works, parks, planning/community development and general government. Taxes, intergovernmental revenues, and surplus revenue transfers finance most of these activities.

Business-type activities – Other services such as water, sewer, gas, and electricity system, health system, airport, parking facilities, golf courses, cemeteries, tourist highway, development review program, and stormwater are intended to recover all or a significant portion of their costs through user fees and charges.

Component units – Component units are legally separate entities for which the City is financially accountable. The City reports the following as component units: Fountain Valley Authority, Aurora-Colorado Springs Joint Water Authority, and several canal and reservoir companies: Twin Lakes, Lake Meredith, Colorado Canal and Lake Henry; the Pikes Peak Regional Communications Network, the Colorado Springs Health Foundation and several business improvement districts: Barnes & Powers North, Barnes & Powers South, Briargate Center, Creekwalk Marketplace, Colorado Springs Downtown Development Authority, Colorado Springs Urban Renewal Authority, First & Main, First & Main No. 2, First & Main North, GSF, Greater Downtown Colorado Springs, Interquest North, Interquest South, Interquest Town Center, MW Retail, Park Union (formerly Southwest Downtown), and Powers & Woodmen Commercial. Catalyst Campus, Gold Hill North and USAFA Visitor's Center had no financial activity during 2021 and therefore are not displayed in the City's financial statements.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. The City, 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 City can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

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

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

The City maintains several individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund which is considered to be a major fund. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its governmental funds and budgetary comparisons have been provided to demonstrate compliance with these budgets.

Proprietary funds – The City maintains two different types of proprietary funds: *Enterprise funds,* used to report the same functions presented as *business-type activities* in the government-wide financial statements, and *Internal Service funds,* used as an accounting device to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its printing, self-insurance and various other activities of the City. Because these services predominantly benefit governmental rather than business-type functions, they have been included within *governmental activities* in the government-wide financial statements. However, the change in net position for internal service funds has been allocated between governmental activities and business-type activities on the statement of activities.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, but with more detail. The proprietary fund financial statements provide separate information for Utilities, Public Authority for Colorado Energy (PACE), and Memorial Health System (MHS) which are considered to be major proprietary funds of the City. Both non-major enterprise funds and internal service funds are combined into single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the non-major enterprise funds and the internal service funds are provided in the form of *combining statements* elsewhere in this report.

The City adopts an annual appropriated budget for its proprietary funds and budgetary comparisons have been provided to demonstrate compliance with these budgets.

Fiduciary funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are *not* available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. The City has two fiduciary funds that are categorized as pension trust funds. The basic fiduciary fund financial statements provide combined information, while individual fund data are provided in the form of *combining statements* elsewhere in this report.

The City does not adopt an annual appropriated budget for its fiduciary funds.

Notes to the Financial Statements

The notes provide additional information essential to the full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found following the fund financial statements.

Other Information

Following the basic financial statements and accompanying notes, this report also presents certain required supplementary information (RSI) and combining, individual fund statements and schedules, and statistical tables.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $3.9 billion at the close of 2021 which is $271.7 million more than at the close of 2020.

The following table reflects the condensed Statement of Net Position for 2021 with comparative information for 2020:

City of Colorado Springs
Statement of Net Position (in 000's)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and other assets	$ 468,311	$ 359,517	$ 1,411,358	$ 1,351,705	$ 1,879,670	$ 1,711,221
Capital assets	1,612,911	1,544,257	4,470,675	4,287,481	6,083,586	5,831,737
Total assets	2,081,222	1,903,773	5,882,033	5,639,185	7,963,255	7,542,959
Deferred outflows of resources	93,314	89,941	126,956	118,586	220,270	208,527
Total assets and deferred outflows of resources	2,174,536	1,993,714	6,008,989	5,757,771	8,183,525	7,751,485
Long-term liabilities	303,738	376,075	3,309,509	3,289,119	3,613,247	3,665,194
Other liabilities	120,321	80,291	238,062	211,489	358,383	291,780
Total liabilities	424,058	456,366	3,547,571	3,500,608	3,971,629	3,956,974
Deferred inflows of resources	170,746	96,329	168,294	97,017	339,040	193,346
Total liabilities and deferred inflows of resources	594,805	552,695	3,715,864	3,597,625	4,310,669	4,150,320
Net position						
Net investment in capital assets	1,553,162	1,480,807	2,165,919	2,090,953	3,719,081	3,571,761
Restricted	89,745	40,763	53,141	67,324	142,886	108,087
Unrestricted	(63,176)	(80,551)	74,065	1,869	10,889	(78,682)
Total net position	$ 1,579,731	$ 1,441,019	$ 2,293,125	$ 2,160,146	$ 3,872,856	$ 3,601,165

Note: Immaterial differences may occur due to rounding.

The City's investment in capital assets, less any related debt used to acquire those assets that is still outstanding, is substantially the same as its total net position, at $3.7 billion. The City uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City'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 liquidated to satisfy these liabilities.

Restricted net position increased by $34.8 million primarily due to revenues received in 2021 in excess of the TABOR limits. Additional information on TABOR is presented in Note IV.D.3 in the notes to the financial statements.

The total unrestricted net position is $10.9 million. Certain unrestricted funds are designated for specific, future purposes such as encumbrances and subsequent year expenses. Significant changes in both net pension and OPEB liabilities as well as changes in derivative instruments combined to create a positive unrestricted net position at year-end. It is important to understand these items vary greatly from year to year.

The net position of the business-type activities is $2.3 billion. This net position can only be used for the continuing operations of the utilities, airport, downtown parking facilities, golf courses, cemeteries, tourist highway, development review program, and stormwater activities. This amount cannot be used to make up for any decrease reported in governmental activities.

The following table shows revenues and expenses for both governmental and business-type activities for 2021 with comparative information for 2020. As noted earlier, the City's net position increased from 2020 to 2021 by $271.7 million. Governmental activities increased the City's net position by $138.7 million or 9.6%, which accounts for 51.1% of the City's overall change in net position. Business-type activities increased the City's net position by $133.0 million or 6.2%, which accounts for 48.9% of the City's overall change in net position.

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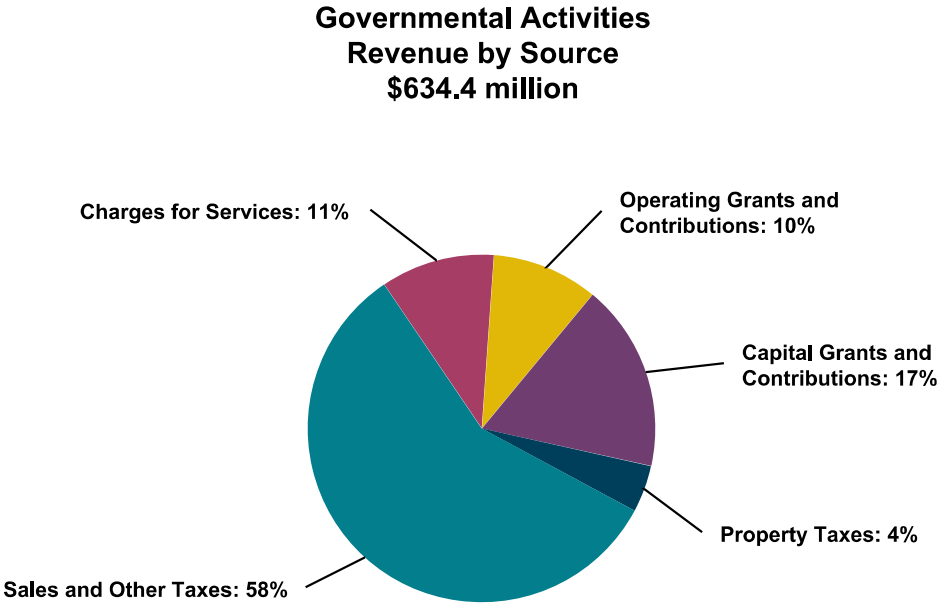
City of Colorado Springs
Changes in Net Position (in 000's)

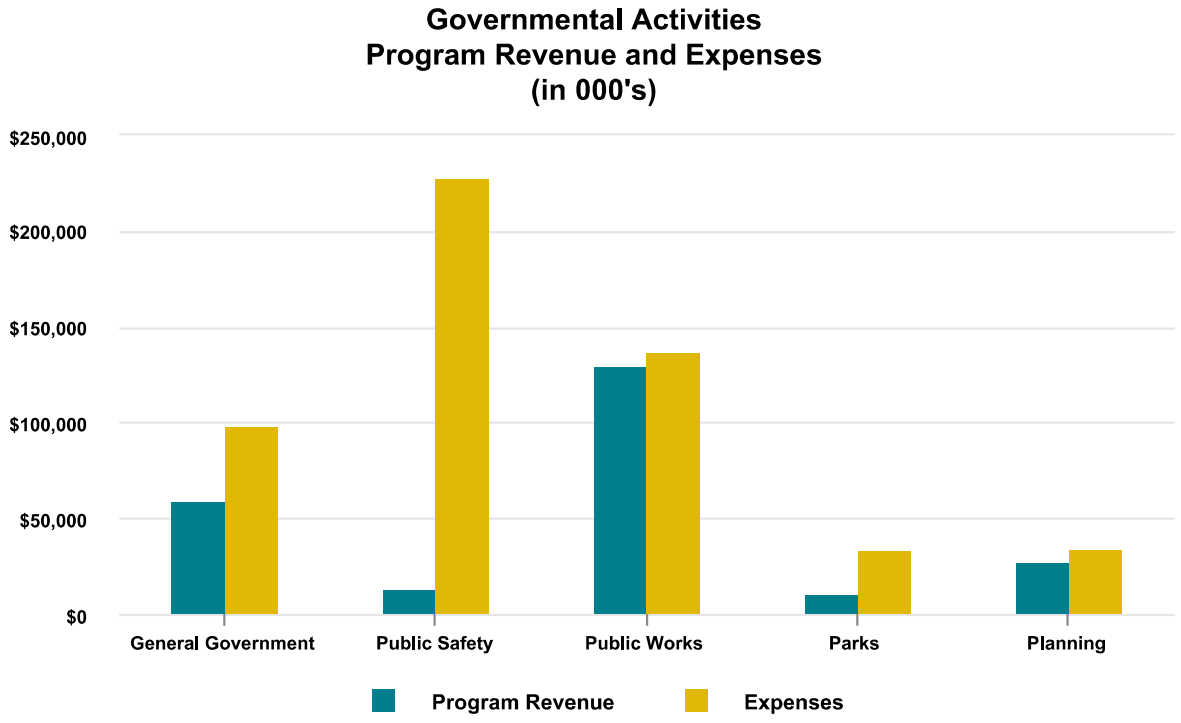
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Revenues:						
Program revenues:						
Charges for services	$ 67,190	$ 61,013	$ 1,184,754	$ 989,733	$ 1,251,944	$ 1,050,746
Operating grants and contributions	62,780	73,427	12,966	—	75,746	73,427
Capital grants and contributions	110,454	81,129	92,952	81,514	203,406	162,643
General revenues:						
Property taxes	27,818	27,478	—	—	27,818	27,478
Sales and other taxes	365,956	299,560	—	—	365,956	299,560
Investment earnings	133	8,414	4,707	12,067	4,840	20,482
Gain on sale of capital assets	—	1,266	140	2,406	140	3,672
Contributions to endowments	73	67	—	—	73	67
Total revenues	634,404	552,353	1,295,519	1,085,720	1,929,923	1,638,073
Expenses:						
General government	97,876	99,254	—	—	97,876	99,254
Public safety	228,309	245,421	—	—	228,309	245,421
Public works	137,529	138,423	—	—	137,529	138,423
Parks	33,604	27,733	—	—	33,604	27,733
Planning and community development	34,231	11,967	—	—	34,231	11,967
Interest on long-term debt	2,247	2,414	—	—	2,247	2,414
Utilities	—	—	988,254	764,323	988,254	764,323
PACE	—	—	58,349	58,949	58,349	58,949
MHS	—	—	2,616	2,945	2,616	2,945
Non-major enterprises	—	—	75,217	53,260	75,217	53,260
Special item - asset impairment	—	—	—	228,095	—	228,095
Total expenses	533,796	525,213	1,124,437	1,107,572	1,658,233	1,632,785
Change in net position before transfers	100,608	27,140	171,082	(21,852)	271,690	5,288
Transfers	38,104	45,441	(38,104)	(45,441)	—	—
Change in net position	138,712	72,581	132,979	(67,293)	271,690	5,288
Net position - beginning	1,441,019	1,368,438	2,160,146	2,227,439	3,601,165	3,595,877
Net position - ending	$ 1,579,731	$ 1,441,019	$ 2,293,125	$ 2,160,146	$ 3,872,856	$ 3,601,165

Note: Immaterial differences may occur due to rounding.

Governmental Activities



Note: Exclusive of transfers.



Note: Exclusive of transfers.

For 2021, governmental activities revenues increased resulting in an increase in net position based upon current year activity. Revenue was up from 2020 by $82.1 million primarily due to an increase in sales tax revenue resulting from implementation of sales tax collection on all online sales and a recovering local economy. Expenses increased $8.6 million from 2020. The most significant changes to expenses were the following:

- General government expenses experienced a dramatic decrease in net pension liability due to actuarial assumption changes. This change resulted in decreased pension expense even as salaries from added positions and wage market movement were increasing expenses. The two items primarily resulted in a net decrease in expenses of $1.4 million. Additional information on the pension assumption changes can be found later in this report.

- Public safety expenses decreased $17.1 million primarily due to less pension liability expense offset by increased salary and operating expenses. Pension liabilities decreased as the result of increased employer contributions combined with a favorable difference in sworn pension payment experience. This decrease directly impacts the pension expense for the sworn employees.

- Parks expenses increased by $5.9 million primarily due to increased salary and other operating expenses.

- Planning and community development expenses increased by $22.3 million due to spending of grant funds received for COVID response through programs such as Emergency Rental Assistance and Community Development Block Grant.

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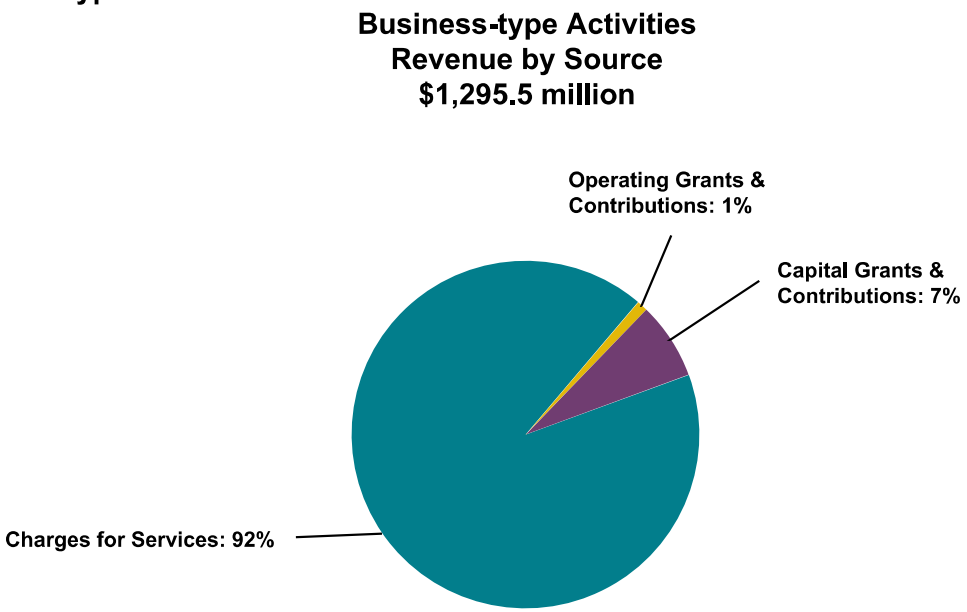
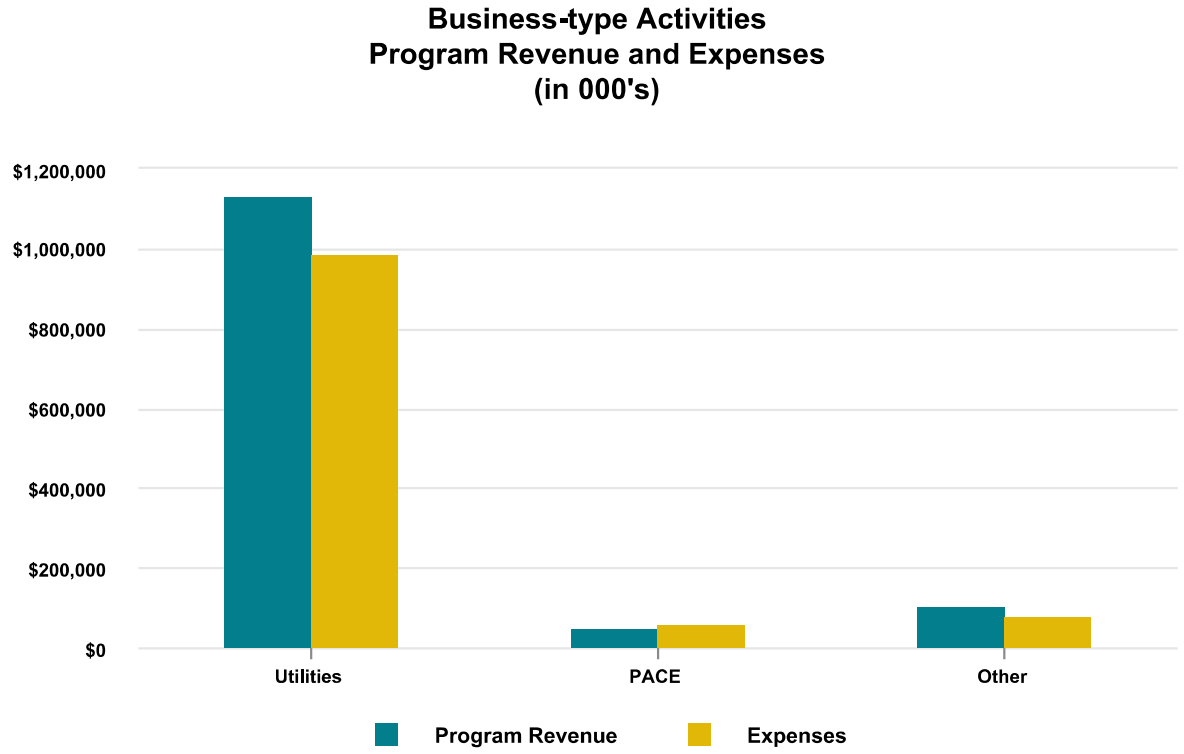
Business-type Activities



Note: Exclusive of transfers.



Note: Exclusive of transfers.

For 2021, business-type activities revenue increased $209.8 million, while expenses increased $16.9 million. In 2021, Utilities' revenue experienced a net increase of $179.3 million primarily due to increases in electric and natural gas revenues, partially offset by a decrease in water revenues. Meanwhile the Airport experienced an increase in operating revenues of $7.6 million due to increased passenger activity. Airport also had increased capital contributions of $17.7 million due to additional COVID relief funds through the Airport Rescue Program. Business-type activities net expenses increased $16.9 million. In 2021, Utilities' operating expenses increased $276.7 million primarily due to purchased power expense increases driven by a February 2021 weather event which resulted in high demand and fuel price surges. This increase was offset by removal of the one-time Utilities asset impairment of $228.1 million recorded in 2020.

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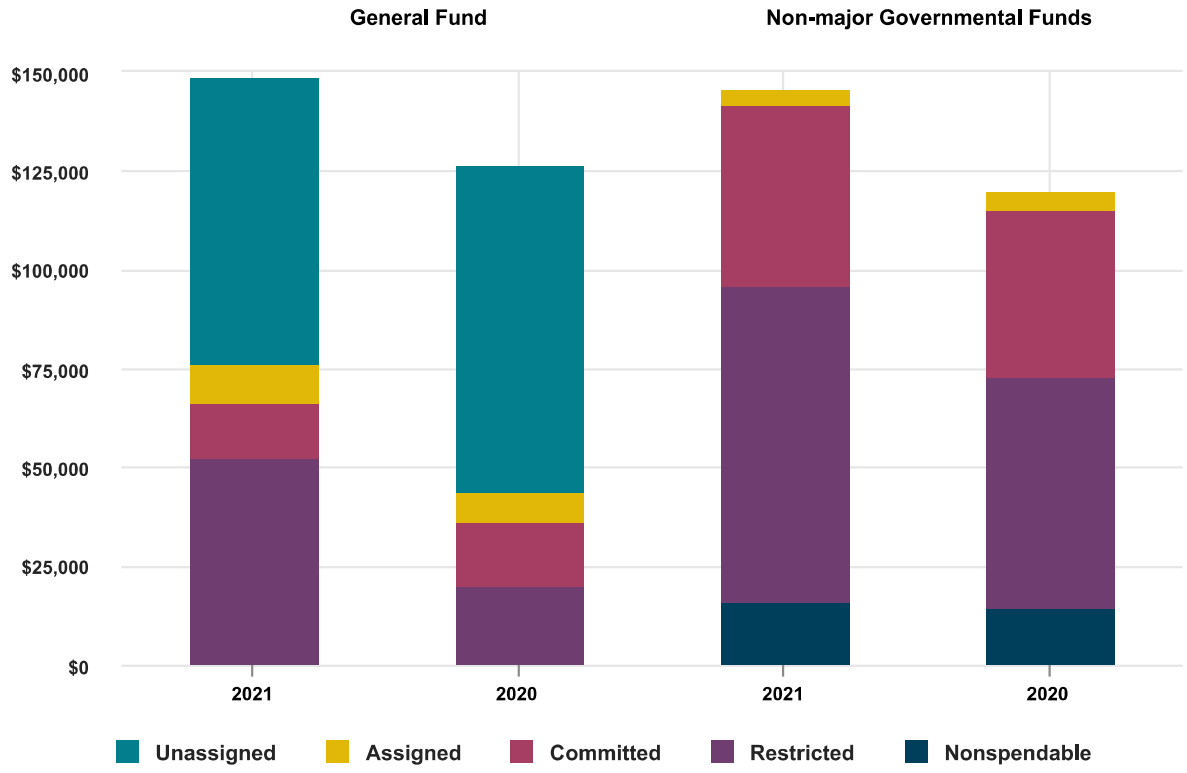
FINANCIAL ANALYSIS OF THE CITY'S FUNDS

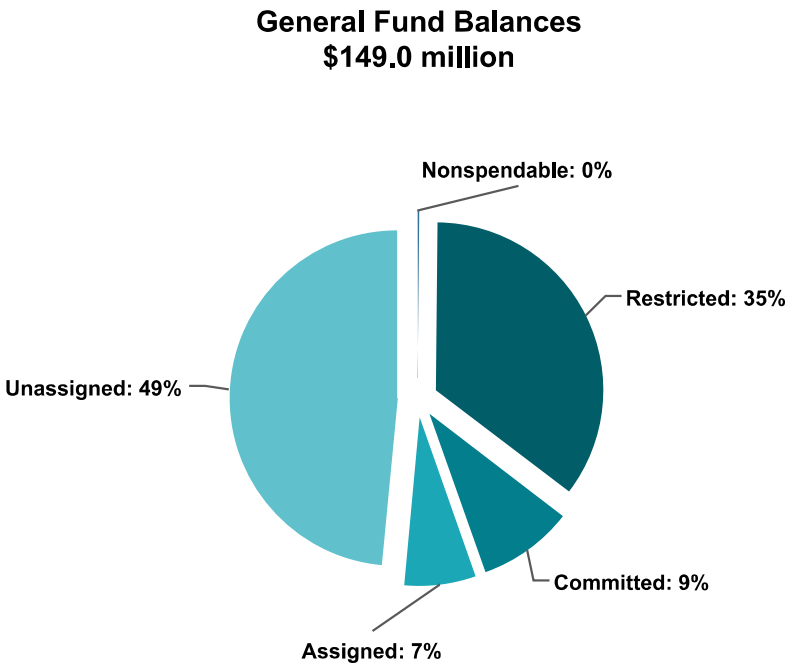
Governmental funds

As of the end of 2021, the City's governmental funds reported total combined fund balances of $294.7 million, of which $72.3 million or approximately 24.5%, is unassigned. *Unassigned fund balance* serves as a useful measure of a government's net resources available for spending at the end of the fiscal year. The *nonspendable* portion of fund balance, $16.4 million, is primarily comprised of endowments; and the *restricted* portion of fund balance, $132.4 million, is primarily comprised of $79.5 million in special revenue funds restricted balances, $34.6 million for the TABOR refund/retention and the $9.8 million TABOR emergency reserve.

Governmental Fund Balances
(in 000's)



The General Fund is the principal operating fund of the City. At the end of 2021, the General Fund's total fund balance was $149.0 million. The unrestricted fund balance of the General Fund was $96.3 million. As a measure of the General Fund's liquidity, it is useful to compare both total fund balance and unrestricted fund balance to total fund expenditures including other financing uses. Total fund balance represents 42.5% of 2021 total General Fund expenditures and other financing uses while unrestricted fund balance represents 27.5% of 2021 total General Fund expenditures and other financing uses The following chart shows the breakout of General Fund balances for 2021.



Proprietary funds

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position as of December 31, 2021 and 2020 for the proprietary funds are as follows:

	Unrestricted Net Position (in 000's)		
	2021	2020	Change
Utilities	$ 187,499	$ 128,659	$ 58,840
PACE	(170,094)	(163,655)	(6,439)
Non-major enterprise funds	66,572	48,865	17,707
Internal service funds	(20,779)	(26,910)	6,131

Note: Immaterial differences may occur due to rounding.

Utilities', non-major enterprise funds', and internal service funds' unrestricted net position increased, while PACE experienced a decline in 2021. Utilities' increase was due to a decrease in pension liability, while non-major enterprise funds' increase was due to healthy operations as a result of strong economic conditions and Southwest Airlines beginning service from the Colorado Spring Airport which dramatically increased passenger traffic. PACE's decrease, as in prior years, was primarily due to significant interest expense.

GENERAL FUND BUDGETARY HIGHLIGHTS

Over the course of the year, City Council typically revises the City budget several times. These budget amendments can be briefly summarized as follows:

- $6.3 million increase due to a supplemental appropriation for General Fund which included added positions in Planning and Community Development, Public Works and City Attorney's Office; operating costs such as computers and vehicles associated with added positions; position classification adjustments that were implemented in 2021; removal of 6 months of the hiring delay and removal of operating budget reductions.

- $3.0 million increase for the replacement of the HVAC system at the Pioneers Museum.

Per City Code, the City rolled over unspent project budgets and encumbrances from the previous year totaling $33.6 million.

Total revenues, excluding other financing sources, exceeded the final budget by 13.8% or $39.9 million largely as a result of sales tax revenues. Fines fell short of budget by $4.2 million due to delayed implementation of traffic enforcement efforts, which resulted in lower than anticipated traffic fine revenue. Intergovernmental revenue exceeded budget by $1.4 million, primarily due to greater than anticipated receipts from the highway user tax fund. The charges for services for public works exceeded budget by $1.7 million due to continued strong local development activity. Investment earnings fell short of budget by $2.5 million largely due to lower investment returns. Sales and use tax revenue (including penalty and interest) exceeded budget by $41.3 million due to a strong local economy and the implementation of sales tax collection on all online purchases.

Total expenditures, excluding other financing uses, were $39.3 million less than the final budget. Capital outlay expenditures fell short of budget due to delays caused by supply-chain and contractor labor-shortage issues. The City received ARPA funding which offset general costs for General Government and Public Safety. Public Safety and Public Works had high vacancies and turnover in 2021 which resulted in reduced salary and benefit expenses.

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CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital assets

At the end of 2021, the City had $6.1 billion invested in a broad range of capital assets and infrastructure (net of accumulated depreciation). This investment in capital assets included land, buildings and improvements, equipment and other vehicles, infrastructure (including streets, alleys, traffic signals and signs, bridges and drainage systems), enterprise plants, construction in process and intangible capital assets. This amount represented a net increase (including additions and deletions) of $251.8 million.

City of Colorado Springs
Capital Assets (in 000's)
(net of accumulated depreciation)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land	$ 421,817	$ 400,858	$ 233,220	$ 232,821	$ 655,037	$ 633,679
Buildings	107,745	112,761	98,514	37,345	206,259	150,106
Improvements other than buildings	65,102	54,915	203,652	185,005	268,754	239,920
Machinery and equipment	58,596	60,601	16,295	15,447	74,891	76,048
Infrastructure	887,845	862,048	39,008	42,492	926,853	904,540
Utilities plant	—	—	3,482,955	3,471,591	3,482,955	3,471,591
Construction in progress	62,648	43,392	323,055	234,899	385,703	278,291
Intangible capital assets	9,157	9,682	73,978	67,881	83,135	77,563
Total	$ 1,612,911	$ 1,544,257	$ 4,470,675	$ 4,287,481	$ 6,083,586	$ 5,831,737

Note: Immaterial differences may occur due to rounding.

The change in capital assets for 2021 was due to both governmental and business-type activities. Governmental activities showed a modest increase due to donated infrastructure as well as land acquisitions for parks and open space. Business-type activities added to this increase. Utilities' capital assets increased $171.9 million, or 4.4%, due to capital expenses which included general system improvements required to maintain and rehabilitate aging infrastructure, as well as construction to prepare for future demand and to meet environmental and regulatory requirements.

In 2021, Pikes Peak Rural Transportation Authority donated $22.6 million of infrastructure and developers donated of $44.4 million of infrastructure to governmental activities. These donated amounts remain strong as a result of continued local development.

Additional information on the City's capital assets is presented in Note III.G. in the notes to the financial statements.

Long-term debt

The following schedule provides the debt outstanding at the end of 2021 and 2020. Total long-term debt outstanding at the end of 2021 is $2.8 billion.

City of Colorado Springs
Outstanding Debt (in 000's)

	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020	2021	2020
General obligation bonds	$ 3,525	$ 5,130	$ —	$ —	$ 3,525	$ 5,130
Certificates of participation	36,225	37,145	—	—	36,225	37,145
Revenue bonds	—	—	2,713,170	2,642,904	2,713,170	2,642,904
Lease/lease purchase	7,135	8,495	—	—	7,135	8,495
Notes payable	—	—	21,074	14,490	21,074	14,490
Total	$ 46,885	$ 50,770	$ 2,734,244	$ 2,657,394	$ 2,781,129	$ 2,708,164

Note: Immaterial differences may occur due to rounding.

During 2021, long-term debt for the governmental activities decreased $3.9 million due to debt repayments. Business-type activities increased $76.9 million primarily due to the issuance of refunding and improvement revenue bonds exceeding debt repayments.

The City's latest long-term bond ratings are as follows:

Description	Moody's Rating	Standard & Poor's Rating	Fitch Rating
Certificates of Participation	Aa2	AA	N/A
Pikes Peak America's Mountain Revenue Bonds	N/A	A	N/A
Parking Revenue Bonds	N/A	N/A	N/A
Utilities Revenue Bonds	Aa2	AA+	AA
PACE Revenue Bonds	A2	A-	AA-

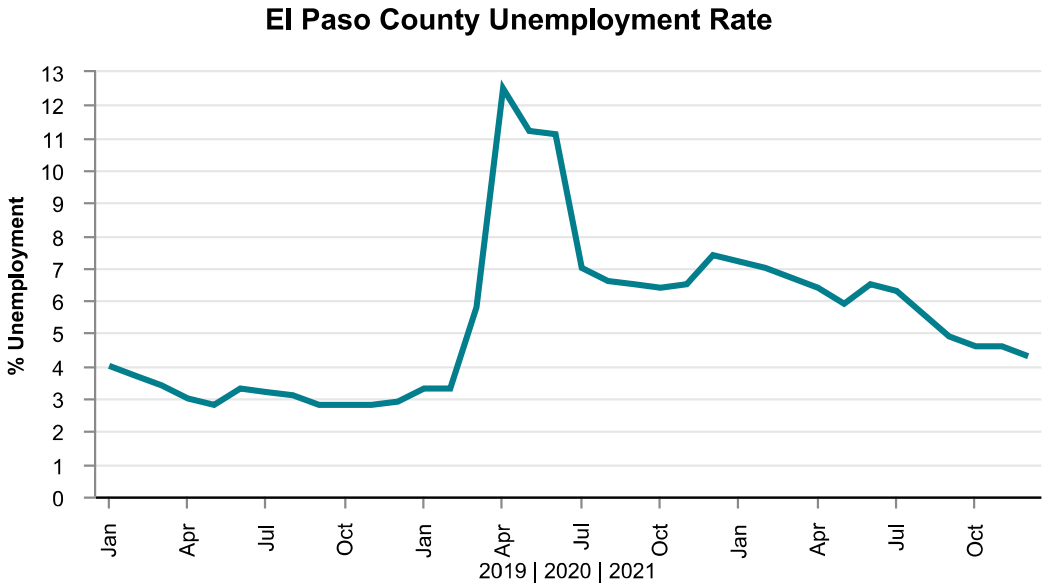
The current debt limitation for the City is $622.0 million or 10% of the assessed property valuation. The City has no outstanding general obligation debt as it relates to this debt limit. The general obligation debt shown in the financial statements relate to the City's blended component units.

Additional information on the City's long-term debt is presented in Note III.J. in the notes to the financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

Local Economic Indicators

During 2021, the local economy showed recovery from the pandemic induced economic shutdown of 2020. While not quite down to pre-pandemic levels, the local unemployment rate continued a steady decline from the 12.5% high in April 2020, ending at 4.3% in 2021. Hotel occupancy (12-month moving average) began the year at 48.3% and climbed to 64.0% for December. Other portions of the economy experienced continued strength, particularly the home building industry. The number of home sales grew by 4.8%, and the number of residential building permits increased 34.3%.



Source: US Bureau of Labor Statistics - Local Area Unemployment Statistics

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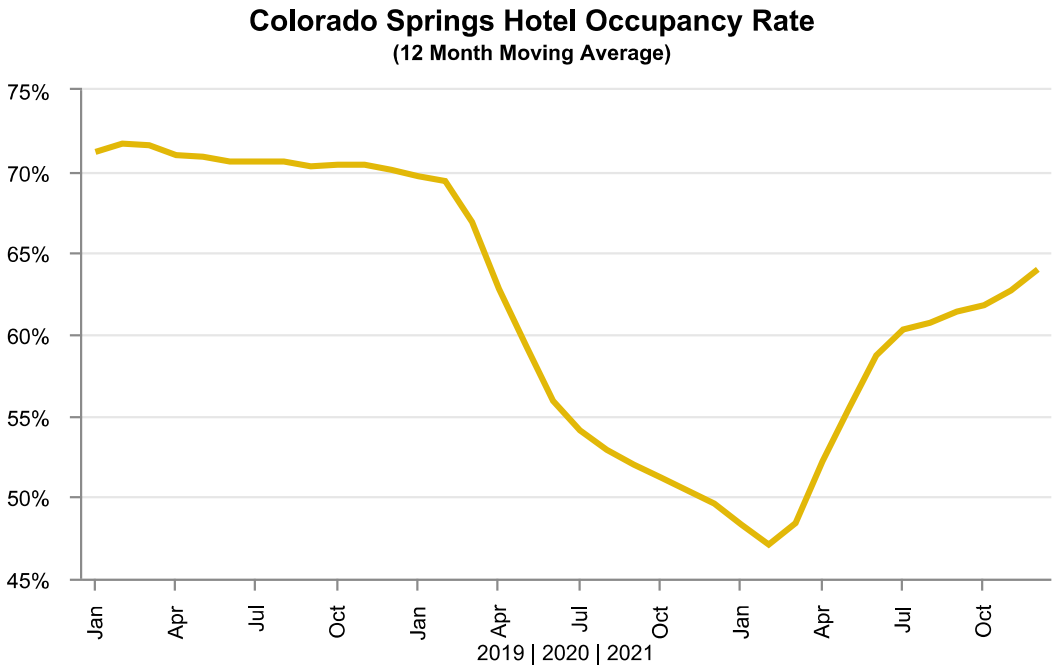
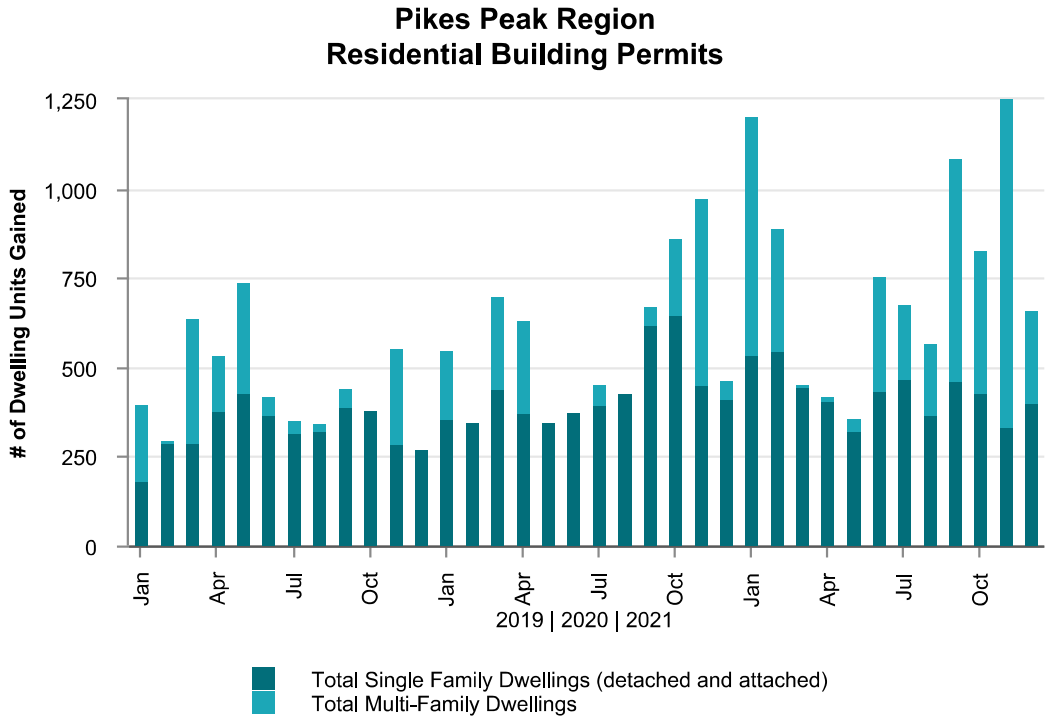
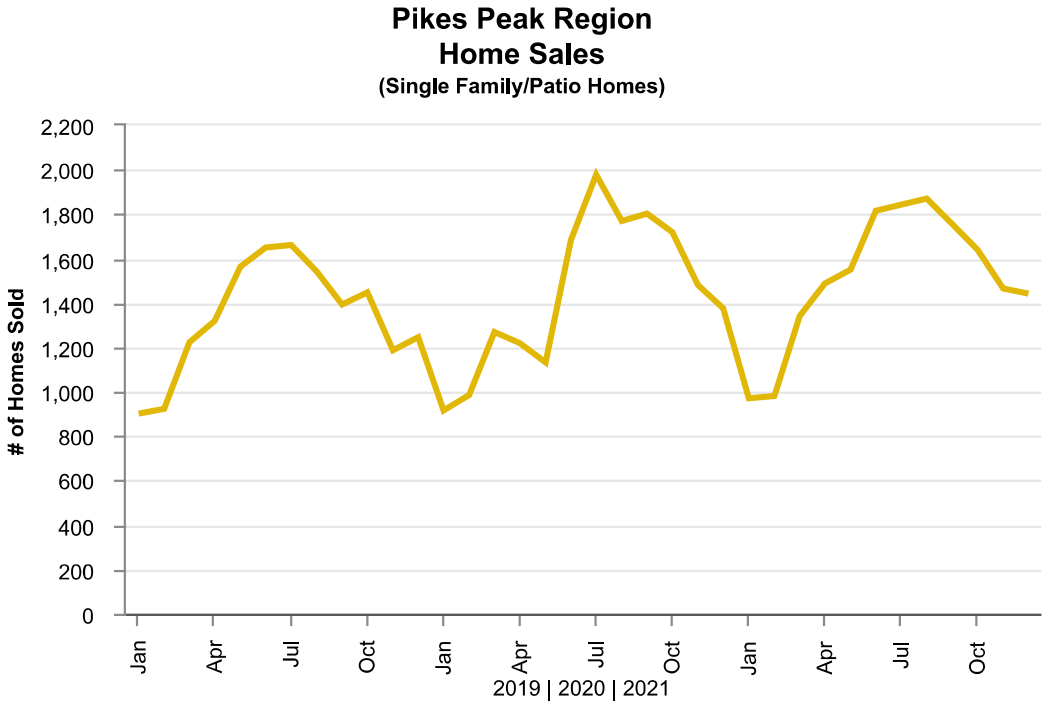


Source: University of Colorado Colorado Springs Economic Forum Dashboard



Source: Pikes Peak Regional Building Department



Source: Pikes Peak Association of Realtors

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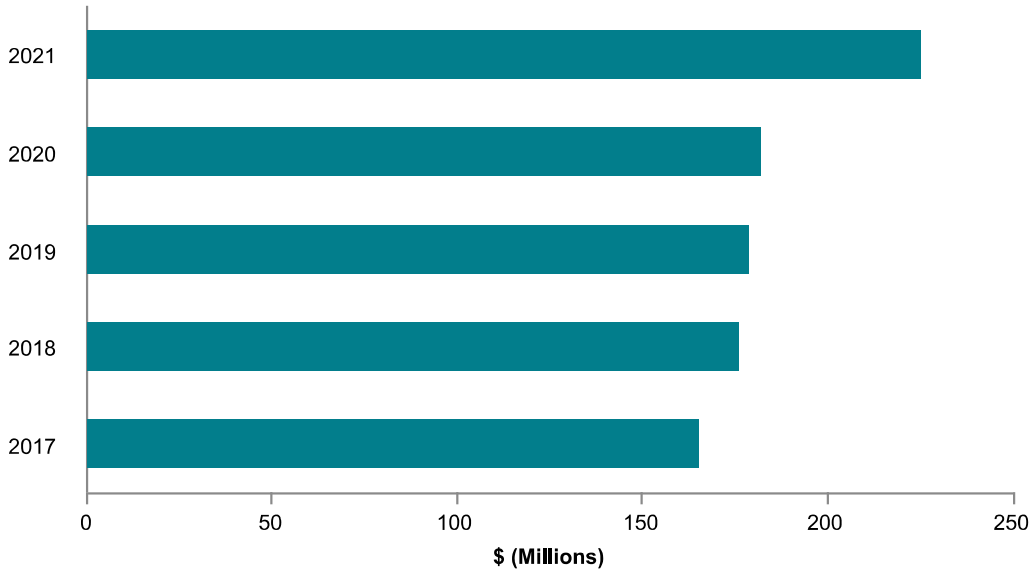
Sales and use tax revenue

The City's General Fund sales and use tax revenue increased $43.4 million or 23.8% from 2020. The local economy has continued to strongly recover from the pandemic induced economic shutdown of 2020. The City is also seeing the impact of implementing collection of sales tax on all online purchases. The Building Materials category saw increases as the local building market, both residential and industrial, continued trending in a positive direction. City sales and use tax collections are primarily dependent upon the level of local economic activity, consumer confidence, tourist activity and inflationary growth.

General Fund
Sales and Use Tax Revenue



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2022 Budget

The 2022 General Fund budget of approximately $397.0 million is 15.2% higher than the 2021 original General Fund budget. At 56.3%, sales and use tax is the largest single source of General Fund revenue. 2022 sales and use tax is budgeted at $223.7 million.

The 2022 budget addresses important strategic and operational goals which are reflected in the following important funding decisions:

- $10.5 million for public safety infrastructure and fleet, to include construction of and equipment for Fire Station #24 in the Northeast part of the City
- $700,000 of increased funding for 17 new sworn Police positions that will be added towards the end of 2022
- Funding for the Fire Department for the addition of 4 civilian positions and related operating and capital outlay, which will allow for the establishment of 2 Alternate Response Teams (ARTs) within the Community Response Team (CRT) Program. The Law Enforcement Transparency and Accountability Commission (LETAC) recommended the City expand the CRT program – the addition of the two Alternate Response Teams fulfills this recommendation by broadening the response to behavioral health calls for service regardless of level of acuity
- $2.5 million for increased staffing across several city departments to address expanding demand for services, including additional staff for the Neighborhood Services Quality of Life program and 4 civilian C-Med tiered response teams in the Fire Department
- $2.15 million continued funding for the City's Americans with Disabilities Act operating and capital programs
- $1.7 million increased funding for city fleet and equipment replacement
- $500,000 of continued funding to support shelter bed operations for the homeless population
- $934,000 additional funding to Mountain Metro Transit for increased contract and other operating costs to sustain transit services
- $1.5 million increased funding to address Information Technology core infrastructure, applications, and cybersecurity
- $9.1 million for market salary increases for all civilian and sworn (Police and Fire) employees, step increases for sworn, pay progression for civilian employees and pay for performance for civilian employees
- $14.4 million for full-year funding for the portion of compensation and added positions that were phased in during 2021
- $5.4 million reinstated budget that was reduced during 2020 for most departments and carried forward into 2021, due to the economic shutdown and revenue loss as a result of the COVID-19 pandemic
- $2.2 million for critical facility maintenance - spread across the City's many facilities including police and fire headquarters, park facilities, public works facilities, fuel island infrastructure, and the Robert Isaac municipal courthouse

- $500,000 increased funding for city-wide Capital Improvement Projects
- $700,000 increased funding for animal law enforcement services
- $415,000 for expansion of forestry management and mitigation within the city

REQUEST FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Finance Department at City of Colorado Springs, 30 S. Nevada Avenue, Suite 202, Colorado Springs, Colorado, 80903, www.coloradosprings.gov, or 719-385-5224.

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COLORADO
SPRINGS
OLYMPIC CITY USA
CELEBRATE
COLORADO SPRINGS
150
1871
2021

BASIC FINANCIAL STATEMENTS

COLORADO
SPRINGS
OLYMPIC CITY USA
CELEBRATE
COLORADO SPRINGS
150
1871
2021

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities
ASSETS					
Cash and investments	$ 308,696,137	$ 401,015,296	$ 709,711,433	$ 195,841,571	$ 10,050,206
Receivables (net of allowance for uncollectibles)	115,842,717	170,093,454	285,936,171	20,054,151	5,112,806
Lease receivable	—	87,974,200	87,974,200	—	—
Due from component unit	—	2,374	2,374	—	—
Due from other governments	—	—	—	1,070	—
Due from primary government	—	—	—	—	6,767,025
Inventories	295,194	62,658,808	62,954,002	—	238,208
Prepaids	—	372,919,000	372,919,000	201,050	51,481
Other	—	112,210,000	112,210,000	—	332,022
Restricted assets (temporarily):					
Cash and investments	24,721,105	203,598,950	228,320,055	43,103,371	2,080,084
Interest receivable	—	26,000	26,000	—	—
Net pension asset	18,756,026	35,295	18,791,321	—	—
Investment in joint ventures	—	825,000	825,000	—	—
Capital assets nondepreciable:					
Land	421,817,129	233,220,018	655,037,147	865,977	65,147
Intangibles	—	49,075,000	49,075,000	—	—
Construction in progress	62,648,091	323,054,572	385,702,663	31,822,701	1,225,244
Capital assets (net of accumulated depreciation):					
Buildings	107,745,496	98,513,575	206,259,071	1,704,549	—
Improvements other than buildings	65,101,778	203,651,809	268,753,587	7,617,274	—
Machinery and equipment	58,596,227	16,294,525	74,890,752	40,669	26,817
Infrastructure	887,845,110	39,007,599	926,852,709	58,385,935	—
Utility plant	—	3,482,955,000	3,482,955,000	—	66,589,093
Intangibles	9,156,958	24,902,868	34,059,826	—	—
Total assets	2,081,221,968	5,882,033,343	7,963,255,311	359,638,318	92,538,133
DEFERRED OUTFLOWS OF RESOURCES					
Deferred cash flow hedges - unrealized loss on derivative instruments	—	28,384,000	28,384,000	—	—
Loss on debt refundings	1,120,437	30,110,313	31,230,750	4,795,358	—
Pension-related amounts	85,133,577	64,428,813	149,562,390	—	—
OPEB-related amounts	7,059,846	4,032,752	11,092,598	—	—
Total deferred outflows of resources	$ 93,313,860	$ 126,955,878	$ 220,269,738	$ 4,795,358	$ —

(continued)

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

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities
LIABILITIES					
Accounts payable and other liabilities	$ 77,687,809	$ 118,886,662	$ 196,574,471	$ 2,576,442	$ 5,780,499
Contingent liabilities and promise to CSHF	—	89,994,780	89,994,780	—	—
Deposits payable	424,039	—	424,039	—	—
Funds held for others	61,640	—	61,640	—	—
Accrued interest payable	147,703	15,775,157	15,922,860	4,345,789	29,399
Due to component unit	6,754,577	12,449	6,767,026	—	—
Due to other governments	—	—	—	591,594	—
Due to primary government	—	—	—	—	2,374
Internal balances	(7,949,276)	7,949,276	—	—	—
Unearned revenue:					
Grants	37,211,300	—	37,211,300	—	—
Other	5,982,962	5,443,498	11,426,460	—	2,619,636
Noncurrent liabilities:					
Due within one year	10,182,928	133,543,719	143,726,647	7,699,618	1,629,561
Due in more than one year	293,554,783	3,175,965,191	3,469,519,974	249,701,066	1,135,121
Total liabilities	424,058,465	3,547,570,732	3,971,629,197	264,914,509	11,196,590
DEFERRED INFLOWS OF RESOURCES					
Gain on debt refundings	—	15,763,000	15,763,000	—	—
Property taxes	30,013,382	—	30,013,382	14,661,811	—
Pension-related amounts	127,755,896	144,931,005	272,686,901	—	—
OPEB-related amounts	12,977,093	7,599,507	20,576,600	—	—
Total deferred inflows of resources	170,746,371	168,293,512	339,039,883	14,661,811	—
NET POSITION					
Net investment in capital assets	1,553,161,705	2,165,919,222	3,719,080,927	(9,257,048)	65,948,287
Restricted for:					
Debt service	1,398,285	25,796,007	27,194,292	21,060,396	1,994,987
Endowments:					
Expendable	471,657	—	471,657	—	—
Nonexpendable	16,097,721	—	16,097,721	—	—
Emergency reserve (TABOR)	9,767,010	—	9,767,010	121,711	—
Capital improvement	8,033,651	—	8,033,651	3,895,407	—
Pension-related	18,756,026	35,295	18,791,321	—	—
Other	35,220,794	27,309,594	62,530,388	—	—
Unrestricted	(63,175,857)	74,064,859	10,889,002	69,036,890	13,398,269
Total net position	$ 1,579,730,992	$ 2,293,124,977	$ 3,872,855,969	$ 84,857,356	$ 81,341,543

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

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Primary Government: Governmental Activities	Primary Government: Business-type Activities	Primary Government: Total	Component Units: Governmental Activities	Component Units: Business-type Activities
Primary government									
Governmental activities									
General government	$ 97,875,879	$ 28,668,757	$ 28,874,922	$ 1,993,499	$ (38,338,701)	$ —	$ (38,338,701)	$ —	$ —
Public safety	228,308,702	8,125,925	4,554,371	881,709	(214,746,697)	—	(214,746,697)	—	—
Public works	137,529,243	22,262,058	5,836,835	101,226,275	(8,204,075)	—	(8,204,075)	—	—
Parks	33,604,107	3,068,559	1,267,534	6,352,407	(22,915,607)	—	(22,915,607)	—	—
Planning and community development	34,230,738	5,065,099	22,246,150	—	(6,919,489)	—	(6,919,489)	—	—
Interest on long-term debt	2,247,332	—	—	—	(2,247,332)	—	(2,247,332)	—	—
Total governmental activities	533,796,001	67,190,398	62,779,812	110,453,890	(293,371,901)	—	(293,371,901)	—	—
Business-type activities									
Utilities	988,254,359	1,065,754,000	—	68,073,000	—	145,572,641	145,572,641	—	—
PACE	58,349,000	51,042,000	—	—	—	(7,307,000)	(7,307,000)	—	—
MHS	2,616,309	—	—	—	—	(2,616,309)	(2,616,309)	—	—
Other non-major enterprises	75,216,983	67,957,911	12,965,767	24,879,205	—	30,585,900	30,585,900	—	—
Total business-type activities	1,124,436,651	1,184,753,911	12,965,767	92,952,205	—	166,235,232	166,235,232	—	—
Total primary government	$1,658,232,652	$1,251,944,309	$ 75,745,579	$ 203,406,095	$ (293,371,901)	$ 166,235,232	$ (127,136,669)	$ —	$ —
Component units									
Governmental activities	$ 51,274,219	$ 984,393	$ 11,063,061	$ 4,190,354	$ —	$ —	$ —	$ (35,036,411)	$ —
Business-type activities	10,855,675	19,735,668	—	—	—	—	—	—	8,879,993
Total component units	$ 62,129,894	$ 20,720,061	$ 11,063,061	$ 4,190,354	$ —	$ —	$ —	$ (35,036,411)	$ 8,879,993
General revenues									
Property taxes					$ 27,817,945	$ —	$ 27,817,945	$ 11,895,247	$ —
Sales taxes					361,657,264	—	361,657,264	—	—
Specific ownership taxes					3,590,096	—	3,590,096	616,646	—
Occupational liquor taxes					327,883	—	327,883	—	—
Admissions tax					284,149	—	284,149	—	—
Bicycle excise tax					96,158	—	96,158	—	—
Miscellaneous					—	—	—	17,301,879	—
Investment earnings					133,202	4,707,275	4,840,477	22,254,438	71,518
Gain on sale of capital assets					—	139,820	139,820	—	—
Contributions to endowments					73,351	—	73,351	—	—
Transfers					38,103,719	(38,103,719)	—	—	—
Total general revenues and transfers					432,083,767	(33,256,624)	398,827,143	52,068,210	71,518
Change in net position					138,711,866	132,978,608	271,690,474	17,031,799	8,951,511
Net position - January 1					1,441,019,126	2,160,146,369	3,601,165,495	67,825,557	72,390,032
Net position - December 31					$1,579,730,992	$2,293,124,977	$3,872,855,969	$ 84,857,356	$ 81,341,543

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

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and investments	$ 148,344,629	$ 151,445,122	$ 299,789,751
Accounts receivable (net of allowance for uncollectibles)	5,830,796	24,823,408	30,654,204
Sales tax receivable	25,423,425	13,668,802	39,092,227
Loans receivable (net of allowance for uncollectibles)	236,668	14,476,562	14,713,230
Property taxes receivable			
Current	26,486,009	3,527,373	30,013,382
Delinquent	12,975	—	12,975
Inventories	262,735	—	262,735
Due from other funds	5,426,232	—	5,426,232
Restricted cash and investments	8,123,384	16,597,721	24,721,105
Total assets	$ 220,146,853	$ 224,538,988	$ 444,685,841
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities			
Accounts payable	$ 13,049,460	$ 18,297,350	$ 31,346,810
Funds held for others	61,640	—	61,640
Accrued salaries and benefits	4,960,919	863,659	5,824,578
Due to other funds	2,132,243	3,992,903	6,125,146
Due to component unit	6,754,576	—	6,754,576
Deposits payable	—	424,039	424,039
Escrow deposits	11,766,227	—	11,766,227
Unearned revenue			
Grants	—	37,211,300	37,211,300
Other	5,982,962	—	5,982,962
Total liabilities	44,708,027	60,789,251	105,497,278
Deferred inflows of resources			
Unavailable revenue - loans (net of allowance for uncollectibles)	—	14,476,562	14,476,562
Unavailable revenue - property taxes	26,486,009	3,527,373	30,013,382
Total deferred inflows of resources	26,486,009	18,003,935	44,489,944
Fund balances			
Nonspendable	275,710	16,097,721	16,373,431
Restricted	52,418,171	79,964,077	132,382,248
Committed	13,725,459	45,724,029	59,449,488
Assigned	10,250,941	3,959,975	14,210,916
Unassigned	72,282,536	—	72,282,536
Total fund balances	148,952,817	145,745,802	294,698,619
Total liabilities, deferred inflows of resources and fund balances	$ 220,146,853	$ 224,538,988	$ 444,685,841

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

Total fund balances - governmental funds		$ 294,698,619
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, therefore, are not reported in the funds.		
Capital assets, at historical cost	$ 2,597,067,708	
Less: Accumulated depreciation	(984,156,919)	
Less: Internal service fund net capital assets included above	(306,217)	
		1,612,604,572
Loans and assessments - certain long-term receivables are not available to pay for current-period expenditures because they are not collected within the prescribed time period after year-end and, therefore, are unavailable in the funds.		14,476,562
Interest on investments that is not available to pay for current-period expenditures is not reported in the funds.		750,846
Internal service funds are used by management to charge the costs of support services and insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		(10,560,501)
Long-term liabilities, including bonds payable and net pension-related amounts, are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds payable	(41,685,408)	
Accrued interest payable	(147,703)	
Lease/lease purchase payable	(7,135,000)	
Capital lease payable	(18,660,462)	
Drainage fees payable	(2,668,804)	
Compensated absences	(21,425,018)	
Municipal solid waste landfill	(350,244)	
Pension-related amounts	(204,180,050)	
OPEB-related amounts	(35,986,417)	
		(332,239,106)
Net position of governmental activities		$ 1,579,730,992

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

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Exhibit 4

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Revenues			
Taxes	$ 255,146,948	$ 138,626,547	$ 393,773,495
Licenses, permits and fines	10,263,799	—	10,263,799
Intergovernmental	25,082,124	81,088,247	106,170,371
Charges for services	20,900,678	13,916,026	34,816,704
Endowments and donations	—	1,499,854	1,499,854
Interfund services provided	10,574,577	—	10,574,577
Investment earnings (loss)	(1,217,420)	1,396,372	178,952
Other revenue	8,191,729	1,512,083	9,703,812
Rental income	53,777	166,688	220,465
Total revenues	328,996,212	238,205,817	567,202,029
Expenditures			
Current			
General government	81,156,017	11,108,845	92,264,862
Public safety	178,630,946	50,820,398	229,451,344
Planning and community development	6,627,694	27,791,250	34,418,944
Public works	29,486,064	25,388,782	54,874,846
Parks	15,005,530	13,771,738	28,777,268
Debt service			
Principal	6,929,862	3,452,236	10,382,098
Interest	1,715,738	539,964	2,255,702
Capital outlay	20,500,210	89,645,819	110,146,029
Total expenditures	340,052,061	222,519,032	562,571,093
Excess (deficiency) of revenues over expenditures	(11,055,849)	15,686,785	4,630,936
Other financing sources (uses)			
Transfers - in	37,421,000	10,391,339	47,812,339
Transfers - out	(10,391,339)	(321,127)	(10,712,466)
Capital lease financing	4,154,688	—	4,154,688
Sale of capital assets	2,365,621	—	2,365,621
Total other financing sources	33,549,970	10,070,212	43,620,182
Net change in fund balances	22,494,121	25,756,997	48,251,118
Fund balances - January 1	126,458,696	119,988,805	246,447,501
Fund balances - December 31	$ 148,952,817	$ 145,745,802	$ 294,698,619

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Exhibit 5

Net change in fund balances - total governmental funds		$ 48,251,118
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Capital outlay	$ 64,602,806	
Depreciation expense	(61,793,966)	
		2,808,840
The net effect of various miscellaneous transactions involving capital assets. (i.e., sales, trade-ins, donations, and transfers)		
In the statement of activities, only the gain or loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of the capital assets sold.	(5,432,669)	
Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not financial resources.	70,304,926	
Capital assets transferred from enterprise funds are not recorded in the governmental funds.	1,003,845	
		65,876,102
The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.		
Debt incurred:		
Capital lease financing	(4,154,688)	
Principal repayments:		
General obligation debt	1,605,000	
Certificates of participation	920,000	
Lease/lease purchase	1,360,000	
Capital leases	6,497,098	
Deferred loss on refunding and related amortization	170,511	
Amortization of bond premium/discount	(62,247)	
		6,335,674
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued interest	8,370	
Drainage fees	310,000	
Compensated absences	(1,515,981)	
Landfill closing costs	(4,154)	
Net pension-related amounts	10,499,892	
Net OPEB-related amounts	594,088	
		9,892,215
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		1,534,978
Internal service funds are used by management to charge the costs of insurance and other services to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities.		4,012,939
Change in net position of governmental activities		$ 138,711,866

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

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	2021 Actual	(Negative)
Revenues				
Taxes				
General property taxes				
Current	$ 23,626,916	$ 23,626,916	$ 23,869,463	$ 242,547
Penalty and interest	—	—	36,147	36,147
	23,626,916	23,626,916	23,905,610	278,694
Sales and use taxes	186,200,000	186,200,000	225,777,548	39,577,548
Penalty and interest	—	—	1,726,028	1,726,028
Specific ownership taxes	3,007,056	3,007,056	3,125,730	118,674
Occupational liquor taxes	305,000	305,000	327,883	22,883
Admission taxes	655,000	655,000	284,149	(370,851)
Total taxes	213,793,972	213,793,972	255,146,948	41,352,976
Licenses, permits and fines				
Business licenses and permits	3,742,270	3,742,270	3,483,391	(258,879)
Fines	10,948,210	10,948,210	6,780,408	(4,167,802)
Total licenses, permits and fines	14,690,480	14,690,480	10,263,799	(4,426,681)
Intergovernmental				
State shared revenue				
Cigarette tax	970,000	970,000	1,104,421	134,421
Highway users tax-regular	17,746,156	20,007,487	21,212,747	1,205,260
Highway users tax-added fees	1,575,000	1,575,000	1,629,262	54,262
Severance tax	130,000	130,000	62,188	(67,812)
	20,421,156	22,682,487	24,008,618	1,326,131
Other governmental units				
El Paso County road and bridge	775,000	775,000	920,167	145,167
El Paso County shared fines	225,000	225,000	153,339	(71,661)
	1,000,000	1,000,000	1,073,506	73,506
Total intergovernmental	$ 21,421,156	$ 23,682,487	$ 25,082,124	$ 1,399,637

(continued)

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

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	2021 Actual	(Negative)
Charges for services				
General government	$ 4,728,288	$ 4,728,288	$ 4,666,420	$ (61,868)
Public safety	6,454,789	6,454,789	6,492,716	37,927
Planning	1,410,075	1,410,075	2,243,877	833,802
Public works	3,597,463	3,597,463	5,322,070	1,724,607
Parks	2,294,328	2,294,328	2,175,595	(118,733)
Total charges for services	18,484,943	18,484,943	20,900,678	2,415,735
Miscellaneous				
Interfund services provided	10,211,109	10,211,109	10,574,577	363,468
Investment earnings (loss)	1,310,000	1,310,000	(1,217,420)	(2,527,420)
Other revenue	6,703,377	6,703,377	8,191,729	1,488,352
Rental income	202,065	202,065	53,777	(148,288)
Total miscellaneous	18,426,551	18,426,551	17,602,663	(823,888)
Total revenues	$ 286,817,102	$ 289,078,433	$ 328,996,212	$ 39,917,779

(continued)

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

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	2021 Actual	(Negative)
Expenditures				
General government				
City attorney	$ 6,697,810	$ 7,137,213	$ 6,434,402	$ 702,811
City auditor	1,714,482	1,735,376	1,396,165	339,211
City clerk	1,084,347	1,119,531	1,058,791	60,740
City council	888,798	915,736	873,686	42,050
Communications	1,413,106	1,473,085	1,344,464	128,621
Economic development	549,702	573,183	508,067	65,116
Finance	4,339,737	4,431,853	4,213,361	218,492
General costs	41,387,991	41,387,991	34,853,271	6,534,720
Human resources	3,788,867	3,908,836	3,628,548	280,288
Information technology	18,166,713	18,216,458	16,986,334	1,230,124
Innovation, fleet and facilities	4,172,898	4,267,187	3,977,014	290,173
Mayor	1,786,823	1,823,992	1,431,510	392,482
Municipal court	4,301,179	4,411,758	4,450,404	(38,646)
Total general government	90,292,453	91,402,199	81,156,017	10,246,182
Public safety				
Fire and office of emergency management	63,507,291	64,287,898	63,183,155	1,104,743
Police	116,780,176	118,591,647	115,447,791	3,143,856
Total public safety	180,287,467	182,879,545	178,630,946	4,248,599
Planning and community development	6,747,025	7,142,511	6,627,694	514,817
Public works	30,976,204	31,926,186	29,486,064	2,440,122
Parks	$ 15,646,891	$ 16,590,865	$ 15,005,530	$ 1,585,335

(continued)

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

	Budgeted Amounts			Variance with Final Budget Positive
	Original	Final	2021 Actual	(Negative)
Debt service expenditures				
Principal payments	$ 7,000,981	$ 7,000,981	$ 6,929,862	$ 71,119
Interest payments	1,648,719	1,648,719	1,715,738	(67,019)
Total debt service	8,649,700	8,649,700	8,645,600	4,100
Capital outlay	34,255,094	40,785,828	20,500,210	20,285,618
Total expenditures	366,854,834	379,376,834	340,052,061	39,324,773
Deficiency of revenues over expenditures	(80,037,732)	(90,298,401)	(11,055,849)	79,242,552
Other financing sources (uses)				
Transfers - in				
Utilities surplus	36,216,918	36,216,918	37,250,499	1,033,581
Other funds	—	—	170,501	170,501
Transfers - out				
City funded capital improvement projects	(8,380,008)	(10,391,339)	(10,391,339)	—
Capital lease financing	4,950,000	4,950,000	4,154,688	(795,312)
Sale of capital assets	930,000	930,000	2,365,621	1,435,621
Total other financing sources (uses)	33,716,910	31,705,579	33,549,970	1,844,391
Net change in fund balance	(46,320,822)	(58,592,822)	22,494,121	81,086,943
Fund balance - January 1	126,458,696	126,458,696	126,458,696	—
Fund balance - December 31	$ 80,137,874	$ 67,865,874	$ 148,952,817	$ 81,086,943

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

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Current assets						
Cash and investments - unrestricted	$ 319,755,000	$ 65,000	$ 4,574,326	$ 76,620,970	$ 401,015,296	$ 8,906,386
Cash and investments - restricted	46,842,000	—	—	874,943	47,716,943	—
Accounts receivable (net of allowance for uncollectibles)	149,629,989	7,362,000	—	10,493,926	167,485,915	605,853
Lease receivable	—	—	3,002,907	45,718	3,048,625	—
Notes receivable	—	—	—	269,151	269,151	—
Interest receivable	116,000	—	—	—	116,000	—
Due from other funds	4,629,637	—	—	2,731,901	7,361,538	74,683
Due from component unit	2,374	—	—	—	2,374	—
Inventories	61,479,000	—	—	1,179,808	62,658,808	32,459
Prepaids	12,610,000	20,002,000	—	—	32,612,000	—
Total current assets	595,064,000	27,429,000	7,577,233	92,216,417	722,286,650	9,619,381
Noncurrent assets						
Cash and investments - restricted	147,007,000	6,924,000	—	1,951,007	155,882,007	—
Interest receivable - restricted	26,000	—	—	—	26,000	—
Lease receivable - net	—	—	82,917,047	2,008,528	84,925,575	—
Notes receivable	—	—	—	2,222,388	2,222,388	—
Net pension asset	—	—	—	35,295	35,295	—
Due from other funds	—	—	—	1,111,484	1,111,484	—
Investment in joint ventures	825,000	—	—	—	825,000	—
Prepaids	—	340,307,000	—	—	340,307,000	—
Other	112,210,000	—	—	—	112,210,000	—
Capital assets nondepreciable:						
Land	210,601,000	—	—	22,619,018	233,220,018	13,000
Intangibles	49,075,000	—	—	—	49,075,000	—
Construction in progress	314,932,000	—	—	8,122,572	323,054,572	—
Depreciable capital assets:						
Buildings	—	—	—	150,987,884	150,987,884	201,250
Improvements other than buildings	—	—	—	360,916,834	360,916,834	310,198
Machinery and equipment	—	—	—	41,980,237	41,980,237	499,037
Infrastructure	—	—	—	53,168,702	53,168,702	—
Utility plant	6,323,080,000	—	—	—	6,323,080,000	—
Intangibles	82,412,000	—	—	652,943	83,064,943	—
Less accumulated depreciation and amortization	(2,897,730,000)	—	—	(250,143,224)	(3,147,873,224)	(717,268)
Total noncurrent assets	4,342,438,000	347,231,000	82,917,047	395,633,668	5,168,219,715	306,217
Total assets	4,937,502,000	374,660,000	90,494,280	487,850,085	5,890,506,365	9,925,598
Deferred outflows of resources						
Deferred cash flow hedges - unrealized loss on derivative instruments	28,384,000	—	—	—	28,384,000	—
Loss on debt refundings	30,052,000	—	—	58,313	30,110,313	—
Pension-related amounts	59,036,000	—	—	5,392,813	64,428,813	—
OPEB-related amounts	3,152,000	—	—	880,752	4,032,752	—
Total deferred outflows of resources	120,624,000	—	—	6,331,878	126,955,878	—
Total assets and deferred outflows of resources	$ 5,058,126,000	$ 374,660,000	$ 90,494,280	$ 494,181,963	$ 6,017,462,243	$ 9,925,598

(continued)

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

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
Current liabilities						
Accounts payable	$ 95,657,346	$ —	$ 499,500	$ 5,370,493	$ 101,527,339	$ 2,888,998
Accrued liabilities	79,000	—	—	—	79,000	—
Accrued salaries and benefits	6,860,000	—	—	411,323	7,271,323	65,195
Claims payable	—	—	—	—	—	17,101,500
Compensated absences	12,377,000	—	—	66,259	12,443,259	15,472
Due to other funds	6,377,205	—	—	132,668	6,509,873	1,338,919
Due to component unit	12,449	—	—	—	12,449	—
Unearned revenue	—	—	—	2,627,145	2,627,145	—
Accrued interest payable	10,832,000	4,434,000	—	509,157	15,775,157	—
Matured bonds payable	102,055,000	15,475,000	—	1,290,000	118,820,000	—
Notes payable	442,000	—	—	1,744,873	2,186,873	—
Capital lease payable	—	—	—	93,587	93,587	—
Other	10,009,000	—	—	—	10,009,000	—
Total current liabilities	244,701,000	19,909,000	499,500	12,245,505	277,355,005	21,410,084
Noncurrent liabilities						
Claims payable	—	—	—	—	—	8,694,500
Contingent liabilities and promise to CSHF	—	—	89,994,780	—	89,994,780	—
Compensated absences	6,218,000	—	—	1,258,899	7,476,899	293,939
Customer deposits	4,355,000	—	—	—	4,355,000	—
Unearned revenue	—	—	—	2,816,353	2,816,353	—
Revenue bonds payable, net	2,284,204,000	522,354,000	—	33,896,938	2,840,454,938	—
Notes payable	3,959,000	—	—	14,929,757	18,888,757	—
Customer advances for construction	23,480,000	—	—	—	23,480,000	—
Capital lease payable	—	—	—	193,055	193,055	—
Municipal solid waste landfill closure and postclosure care	5,521,000	—	—	—	5,521,000	—
Derivative instruments	93,035,000	—	—	—	93,035,000	—
Net pension liability	122,380,000	—	—	10,455,451	132,835,451	—
Net OPEB liability	34,440,000	—	—	2,268,091	36,708,091	—
Other long-term liabilities	13,017,000	—	—	—	13,017,000	—
Total noncurrent liabilities	2,590,609,000	522,354,000	89,994,780	65,818,544	3,268,776,324	8,988,439
Total liabilities	2,835,310,000	542,263,000	90,494,280	78,064,049	3,546,131,329	30,398,523
Deferred inflows of resources						
Gain on debt refundings	15,763,000	—	—	—	15,763,000	—
Pension-related amounts	133,467,000	—	—	11,464,005	144,931,005	—
OPEB-related amounts	6,739,000	—	—	860,507	7,599,507	—
Total deferred inflows of resources	$ 155,969,000	$ —	$ —	$ 12,324,512	$ 168,293,512	$ —

(continued)

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

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
Net position						
Net investment in capital assets	$ 1,831,238,000	$ —	$ —	$ 334,681,222	$ 2,165,919,222	$ 306,217
Restricted for passenger facility charges	—	—	—	553,594	553,594	—
Restricted for pension-related	—	—	—	35,295	35,295	—
Restricted for debt service	21,354,000	2,491,000	—	1,951,007	25,796,007	—
Restricted for other	26,756,000	—	—	—	26,756,000	—
Unrestricted	187,499,000	(170,094,000)	—	66,572,284	83,977,284	(20,779,142)
Total net position	2,066,847,000	(167,603,000)	—	403,793,402	2,303,037,402	(20,472,925)
Total liabilities, deferred inflows of resources and net position	$ 5,058,126,000	$ 374,660,000	$ 90,494,280	$ 494,181,963		$ 9,925,598
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					(9,912,425)	
Net position of business-type activities					$ 2,293,124,977	

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

PROPRIETARY FUNDS | **CITY OF COLORADO SPRINGS**
STATEMENT OF REVENUES, EXPENSES | **COLORADO**
AND CHANGES IN NET POSITION | **Exhibit 8**
For the year ended December 31, 2021

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
Operating revenues						
Charges for services	$ 1,065,754,000	$ 51,042,000	$ —	$ 67,957,911	$ 1,184,753,911	$ 53,076,295
Total operating revenues	1,065,754,000	51,042,000	—	67,957,911	1,184,753,911	53,076,295
Operating expenses						
Salaries and benefits	203,470,000	—	—	28,060,404	231,530,404	3,573,759
Other operating expenses	558,320,000	20,066,000	—	18,684,524	597,070,524	43,320,353
Depreciation and amortization	163,748,000	—	—	21,390,240	185,138,240	40,894
Total operating expenses	925,538,000	20,066,000	—	68,135,168	1,013,739,168	46,935,006
Operating income (loss)	140,216,000	30,976,000	—	(177,257)	171,014,743	6,141,289
Nonoperating revenues (expenses)						
Derivative instruments gain	18,733,000	—	—	—	18,733,000	—
Investment earnings (loss)	1,254,000	1,041,000	(84,034)	(204,034)	2,006,932	(41,186)
Lease interest income	—	—	2,700,343	—	2,700,343	—
Interest expense	(84,448,000)	(37,463,000)	—	(1,908,298)	(123,819,298)	—
Passenger facility charges	—	—	—	4,037,841	4,037,841	—
Customer facility charges	—	—	—	1,390,430	1,390,430	—
Amortization expense	—	(820,000)	—	—	(820,000)	—
Loss on disposal of capital assets	—	—	—	(12,176,346)	(12,176,346)	—
Change in contingent liabilities	—	—	(2,616,309)	—	(2,616,309)	—
Miscellaneous	1,223,000	—	—	13,364,777	14,587,777	—
Total nonoperating revenues (expenses)	(63,238,000)	(37,242,000)	—	4,504,370	(95,975,630)	(41,186)
Income (loss) before contributions and transfers	76,978,000	(6,266,000)	—	4,327,113	75,039,113	6,100,103
Capital contributions	68,073,000	—	—	24,879,205	92,952,205	—
Transfers - in	52,000	—	—	321,127	373,127	—
Transfers - out	(37,250,000)	—	—	(52,000)	(37,302,000)	—
Transfers - other	(171,000)	—	—	—	(171,000)	—
Change in net position	107,682,000	(6,266,000)	—	29,475,445	130,891,445	6,100,103
Total net position - January 1	1,959,165,000	(161,337,000)	—	374,317,957		(26,573,028)
Total net position - December 31	$ 2,066,847,000	$ (167,603,000)	$ —	$ 403,793,402		$ (20,472,925)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.					2,087,163	
Change in net position of business-type activities					$ 132,978,608	

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

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	$1,006,207,000	$ 50,975,000	$ —	$ 66,392,049	$1,123,574,049	$ 10,157,214
Receipts from interfund services provided	16,271,000	—	—	1,125,282	17,396,282	43,260,999
Receipts from lease receivable	—	—	2,911,769	—	2,911,769	—
Payments to suppliers	(546,552,000)	(255,000)	(5,756,368)	(10,229,321)	(562,792,689)	(41,794,628)
Payments to employees	(218,524,000)	—	—	(26,202,611)	(244,726,611)	(2,815,279)
Payments for interfund services used	(24,377,000)	—	—	(8,861,244)	(33,238,244)	(4,442,110)
Other receipts	2,329,000	—	—	—	2,329,000	—
Net cash provided (used) by operating activities	235,354,000	50,720,000	(2,844,599)	22,224,155	305,453,556	4,366,196
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Intergovernmental non-operating revenues provided	(37,083,000)	—	—	—	(37,083,000)	—
Transfers - in	—	—	—	321,127	321,127	—
Transfers - out	(1,798,000)	—	—	—	(1,798,000)	—
Repayment of advance from other funds	—	—	—	—	—	(2,929,953)
Advance from other funds	—	—	—	—	—	1,336,347
Repayment of long-term debt	—	(14,120,000)	—	—	(14,120,000)	—
Interest payments on long-term debt	—	(36,310,000)	—	—	(36,310,000)	—
Interest payments - other	—	(1,260,000)	—	—	(1,260,000)	—
Operating grants	408,000	—	—	13,272,528	13,680,528	—
Net cash provided (used) by noncapital financing activities	(38,473,000)	(51,690,000)	—	13,593,655	(76,569,345)	(1,593,606)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Capital contributions and advances	61,968,000	—	—	—	61,968,000	—
Payments from accounts payable incurred for capital asset additions	—	—	—	(9,058,411)	(9,058,411)	—
Bond issuance proceeds	223,745,000	—	—	—	223,745,000	—
Premium related to bond issuance	54,640,000	—	—	—	54,640,000	—
Bond issuance costs and other related costs	(1,943,000)	—	—	—	(1,943,000)	—
Repayment and refunding of revenue bonds	(138,109,000)	—	—	—	(138,109,000)	—
Purchases of capital assets	(264,461,000)	—	—	(38,390,018)	(302,851,018)	(9,995)
Repayment of capital lease obligations	—	—	—	(91,680)	(91,680)	—
Principal paid on capital debt	—	—	—	(2,234,790)	(2,234,790)	—
Interest paid on capital debt	(100,014,000)	—	—	(1,867,460)	(101,881,460)	—
Interest paid - other	(29,000)	—	—	—	(29,000)	—
Proceeds received on capital debt	—	—	—	8,000,000	8,000,000	—
Proceeds from the sale of capital assets	936,000	—	—	421,698	1,357,698	—
Capital grant	5,303,000	—	—	15,484,023	20,787,023	—
Passenger facility charges	—	—	—	3,593,561	3,593,561	—
Customer facility charges	—	—	—	1,324,010	1,324,010	—
Net cash used by capital and related financing activities	$ (157,964,000)	$ —	$ —	$ (22,819,067)	$ (180,783,067)	$ (9,995)

(continued)

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

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sales and maturities of investments	$ 102,680,000	$ —	$ 3,918,120	$ 16,023,745	$ 122,621,865	$ 231,829
Purchases of investments	(115,005,000)	(65,000)	(1,283,993)	(30,299,928)	(146,653,921)	(3,042,716)
Interest and dividends received	2,929,000	1,041,000	170,197	677,598	4,817,795	81,909
Distributions from joint ventures	168,000	—	—	—	168,000	—
Principal received on lease/note receivable	—	—	—	306,999	306,999	—
Interest received on lease/note receivable	—	—	—	296,627	296,627	—
Principal received from interfund loan	—	—	—	83,436	83,436	—
Interest received from interfund loan	—	—	—	49,752	49,752	—
Net cash provided (used) by investing activities	(9,228,000)	976,000	2,804,324	(12,861,771)	(18,309,447)	(2,728,978)
Net change in cash and cash equivalents	29,689,000	6,000	(40,275)	136,972	29,791,697	33,617
Cash and cash equivalents - January 1	364,431,000	59,000	101,068	881,322	365,472,390	84,749
Cash and cash equivalents - December 31	$ 394,120,000	$ 65,000	$ 60,793	$ 1,018,294	$ 395,264,087	$ 118,366
Cash and cash equivalents	$ 394,120,000	$ 65,000	$ 60,793	$ 1,018,294	$ 395,264,087	$ 118,366
Investments	119,484,000	6,924,000	4,513,533	78,428,626	209,350,159	8,788,020
Total cash and investments	$ 513,604,000	$ 6,989,000	$ 4,574,326	$ 79,446,920	$ 604,614,246	$ 8,906,386
Reconciliation of operating income (loss) to net cash provided (used) by operating activities						
Operating income (loss)	$ 140,216,000	$ 30,976,000	$ —	$ (177,257)	$ 171,014,743	$ 6,141,289
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation and amortization expense	163,748,000	—	—	21,390,240	185,138,240	40,894
Other expense	(52,611,000)	—	—	—	(52,611,000)	—
Decrease (increase) in assets and outflows of resources						
Accounts receivable	(37,585,000)	(66,000)	—	296,537	(37,354,463)	372,759
Lease receivable	—	—	2,911,769	—	2,911,769	—
Due from other funds	—	—	—	(1,051,177)	(1,051,177)	(30,842)
Inventories	(3,770,000)	—	—	(296,909)	(4,066,909)	(1,061)
Prepaids	1,889,000	19,810,000	—	—	21,699,000	—
Other assets	9,976,000	—	—	—	9,976,000	—
Deferred outflows of resources - pensions	(24,953,000)	—	—	833,111	(24,119,889)	—
Deferred outflows of resources - OPEB	65,000	—	—	70,272	135,272	—
Net pension asset	—	—	—	(25,603)	(25,603)	—
Increase (decrease) in liabilities and inflows of resources						
Accounts and other payables	35,549,000	—	(30,000)	(188,471)	35,330,529	(2,209,244)
Accrued expenses	(855,000)	—	—	150,585	(704,415)	49,831
Due to other funds	—	—	—	56,929	56,929	2,570
Contingent liability	—	—	(5,726,368)	—	(5,726,368)	—
Other liabilities	168,000	—	—	314,054	482,054	—
Deferred inflows of resources - pensions	58,743,000	—	—	5,495,700	64,238,700	—
Deferred inflows of resources - OPEB	1,513,000	—	—	507,007	2,020,007	—
Net pension liabilities	(49,757,000)	—	—	(4,612,585)	(54,369,585)	—
Net OPEB liabilities	(6,982,000)	—	—	(538,278)	(7,520,278)	—
Net cash provided (used) by operating activities	$ 235,354,000	$ 50,720,000	$ (2,844,599)	$ 22,224,155	$ 305,453,556	$ 4,366,196

(continued)

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

	Business-type Activities Enterprise Funds					Governmental Activities
	Utilities	Public Authority for Colorado Energy	MHS	Other Non-Major Enterprise Funds	Total	Internal Service Funds
Noncash investing, capital and financing activities						
Amortization, charge-off of debt discount and expense	$ 6,012,000	$ 820,000	$ —	$ —	$ 6,832,000	$ —
Noncash acquisition of capital assets (incurrence of payable/capital lease obligation)	37,884,000	—	—	4,015,889	41,899,889	—
Noncash capital contributions	20,899,000	—	—	3,553,507	24,452,507	—
Change in fair value of derivative instruments	18,733,000	—	—	—	18,733,000	—
Change in fair value of investments	—	—	(127,116)	(340,273)	(467,389)	(123,094)

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

	Pension Trust Funds
ASSETS	
Pension assets held by Fire and Police Pension Association	
Pooled investment funds	$ 136,622,736
Total pension assets held for pension benefits	$ 136,622,736
NET POSITION	
Net position restricted for pensions	$ 136,622,736

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

	Pension Trust Funds
Additions	
City contributions	$ 5,196,854
Total contributions	5,196,854
Investment earnings:	
Net increase in fair value of investments	14,662,626
Interest, dividends, and other	1,448,950
Total investment earnings	16,111,576
Less investment costs	950,339
Net investment earnings	15,161,237
Total additions	20,358,091
Deductions	
Benefits paid to participants or beneficiaries	15,683,883
Administrative expense	72,172
Total deductions	15,756,055
Net increase in fiduciary net position	4,602,036
Net position restricted for pensions - January 1	132,020,700
Net position restricted for pensions - December 31	$ 136,622,736

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

COLORADO
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CELEBRATE
COLORADO SPRINGS
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2021

GOVERNMENTAL FUND COMPONENT UNITS

COMBINING STATEMENT OF NET POSITION

December 31, 2021

	Barnes & Powers North BID	Barnes & Powers South BID	Briargate Center BID	Creekwalk Marketplace BID	CS Downtown Development Authority	CS Health Foundation	CS Urban Renewal Authority	First & Main BID
ASSETS								
Cash and investments - unrestricted	$ 40,601	$ 1,260	$ 236,979	$ 8,607	$ 907,255	$192,747,538	$ 633,651	$ —
Cash and investments - restricted	7,531	79,431	900,009	7,206,663	859,890	—	23,885,005	174,056
Accounts receivable (net of allowance for uncollectibles)	4,969	582	4,435	478	137,703	—	1,212,975	1,596
Due from other governments	—	—	—	—	—	—	1,070	—
Notes receivable	—	—	—	—	809,107	—	—	—
Assessments receivable	—	—	2,889,208	—	—	—	—	—
Property taxes receivable	369,804	56,170	505,685	58,169	2,304,018	—	7,614,029	158,606
Prepaids	3,258	—	126,003	—	12,700	14,245	11,632	—
Capital assets (non-depreciable):								
Construction in progress	—	—	—	31,653,221	—	—	—	—
Land	—	—	—	—	—	—	—	—
Capital assets (net of accumulated depreciation):								
Buildings	—	—	—	—	1,704,549	—	—	—
Machinery and equipment	—	—	—	—	—	—	—	—
Improvements other than buildings	935,606	—	1,342,915	—	359,639	—	—	—
Infrastructure	207,659	64,517	9,305,811	—	—	—	—	923,982
Total assets	1,569,428	201,960	15,311,045	38,927,138	7,094,861	192,761,783	33,358,362	1,258,240
DEFERRED OUTFLOWS OF RESOURCES								
Loss on refunding	—	—	—	—	—	—	4,795,358	—
Total deferred outflows of resources	—	—	—	—	—	—	4,795,358	—
LIABILITIES								
Accounts payable	5,415	1,842	11,620	6,945	25,242	22,927	110,520	1,596
Escrows	—	—	—	—	1,596	—	188,124	—
Grants payable	—	—	—	—	—	1,843,631	—	—
Due to other governments	—	—	—	—	—	—	591,594	—
Accrued interest payable	16,331	1,788	21,502	161,987	—	—	1,237,334	9,385
Noncurrent liabilities:								
Due within one year	125,000	60,000	635,000	—	1,350,000	—	4,963,366	40,000
Due in more than one year	3,069,912	270,000	10,487,105	43,482,599	—	—	105,143,109	1,285,000
Total liabilities	3,216,658	333,630	11,155,227	43,651,531	1,376,838	1,866,558	112,234,047	1,335,981
DEFERRED INFLOWS OF RESOURCES								
Property taxes	369,804	56,170	505,685	58,169	2,304,018	—	7,614,029	158,606
Total deferred inflows of resources	369,804	56,170	505,685	58,169	2,304,018	—	7,614,029	158,606
NET POSITION								
Net investment in capital assets	(559,561)	5,876	290,698	—	714,188	—	—	(401,018)
Restricted for:								
Debt service	—	77,643	3,127,695	—	796,490	—	10,655,674	164,671
Emergency reserve	1,800	—	6,500	100	63,400	—	—	—
Capital improvement	—	—	—	—	—	—	3,895,407	—
Unrestricted	(1,459,273)	(271,359)	225,240	(4,782,662)	1,839,927	190,895,225	(96,245,437)	—
Total net position	$ (2,017,034)	$ (187,840)	$ 3,650,133	$ (4,782,562)	$ 3,414,005	$190,895,225	$ (81,694,356)	$ (236,347)

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

First & Main BID No. 2	First & Main North BID	GSF BID	Greater Downtown CS BID	Interquest North BID	Interquest South BID	Interquest Town Center BID	MW Retail BID	Park Union BID	Powers & Woodmen Commercial BID	Total
$ 256,750	$ 7,453	$ —	$ 455,773	$ 354,899	$ —	$ 8,053	$ 1,345	$ 73,004	$ 108,403	$ 195,841,571
2,108,432	15,818	—	—	3,122,497	827,227	912,660	100	2,305,157	698,895	43,103,371
98,919	1,926	—	16,853	162,276	14,337	8,781	—	25,003	3,192	1,694,025
—	—	—	—	—	—	—	—	—	—	1,070
—	—	—	—	—	—	—	—	—	—	809,107
—	—	—	—	—	—	—	—	—	—	2,889,208
652,199	157,718	—	566,245	1,402,151	156,333	170,749	443	60,137	429,355	14,661,811
3,757	1,874	—	18,712	1,878	—	—	—	5,108	1,883	201,050
—	—	—	—	—	—	—	—	169,480	—	31,822,701
—	—	—	—	—	865,977	—	—	—	—	865,977
—	—	—	—	—	—	—	—	—	—	1,704,549
—	—	—	14,697	—	—	—	—	25,972	—	40,669
4,113,017	587,641	—	—	—	104,222	—	—	174,234	—	7,617,274
8,635,691	429,983	—	—	14,050,795	2,072,164	1,794,976	—	18,798,897	2,101,460	58,385,935
15,868,765	1,202,413	—	1,072,280	19,094,496	4,040,260	2,895,219	1,888	21,636,992	3,343,188	359,638,318
—	—	—	—	—	—	—	—	—	—	4,795,358
—	—	—	—	—	—	—	—	—	—	4,795,358
22,016	2,518	16,533	13,000	190,920	29,001	8,943	10,101	61,133	2,819	543,091
—	—	—	—	—	—	—	—	—	—	189,720
—	—	—	—	—	—	—	—	—	—	1,843,631
—	—	—	—	—	—	—	—	—	—	591,594
42,767	40,854	—	—	110,628	15,948	16,683	—	2,659,461	11,121	4,345,789
190,000	66,252	—	—	175,000	55,000	—	—	—	40,000	7,699,618
27,171,044	1,491,501	—	—	18,013,044	4,610,606	2,974,783	33,208	27,934,617	3,734,538	249,701,066
27,425,827	1,601,125	16,533	13,000	18,489,592	4,710,555	3,000,409	43,309	30,655,211	3,788,478	264,914,509
652,199	157,718	—	566,245	1,402,151	156,333	170,749	443	60,137	429,355	14,661,811
652,199	157,718	—	566,245	1,402,151	156,333	170,749	443	60,137	429,355	14,661,811
(2,575,788)	(344,162)	—	14,697	(1,893,955)	(397,030)	214,175	—	(2,890,070)	(1,435,098)	(9,257,048)
2,155,084	—	—	—	3,125,911	44,746	226,408	—	—	686,074	21,060,396
2,900	900	—	22,811	5,500	2,700	600	100	12,700	1,700	121,711
—	—	—	—	—	—	—	—	—	—	3,895,407
(11,791,457)	(213,168)	(16,533)	455,527	(2,034,703)	(477,044)	(717,122)	(41,964)	(6,200,986)	(127,321)	69,036,890
$ (12,209,261)	$ (556,430)	$ (16,533)	$ 493,035	$ (797,247)	$ (826,628)	$ (275,939)	$ (41,864)	$ (9,078,356)	$ (874,645)	$ 84,857,356

GOVERNMENTAL FUND COMPONENT UNITS
COMBINING STATEMENT OF ACTIVITIES
For the year ended December 31, 2021

		Program Revenues			Changes in Net Position					
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Barnes & Powers North BID	Barnes & Powers South BID	Briargate Center BID	Creekwalk Marketplace BID	CS Downtown Development Authority	CS Health Foundation
General government										
Barnes & Powers North BID	$ 119,560	$ —	$ 11,503	$ —						
Barnes & Powers South BID	15,733	—	—	—						
Briargate Center BID	640,819	—	—	—						
Creekwalk Marketplace BID	73,436	—	—	—						
CS Downtown Development Authority	1,581,516	—	1,098,568	—						
CS Health Foundation	6,858,340	—	9,766,629	—						
CS Urban Renewal Authority	2,226,849	484,970	48,806	—						
First & Main BID	77,717	—	—	—						
First & Main BID No. 2	644,528	—	23,549	—						
First & Main North BID	95,631	—	—	—						
GSF BID	16,533	—	—	—						
Greater Downtown CS BID	768,392	170,754	—	—						
Interquest North BID	827,561	—	—	—						
Interquest South BID	107,658	—	—	—						
Interquest Town Center BID	51,690	—	—	—						
MW Retail BID	40,702	—	—	—						
Park Union BID	1,351,288	328,669	114,006	—						
Powers & Woodmen Commercial BID	129,653	—	—	—						
Subtotal					$ (108,057)	$ (15,733)	$ (640,819)	$ (73,436)	$ (482,948)	$ 2,908,289
Public works										
CS Urban Renewal Authority	18,326,731	—	—	4,190,354						
Interquest North BID	765,636	—	—	—						
Park Union BID	4,207,000	—	—	—						
Subtotal					—	—	—	—	—	—
Interest on long-term debt										
Barnes & Powers North BID	218,139	—	—	—						
Barnes & Powers South BID	25,607	—	—	—						
Briargate Center BID	153,887	—	—	—						
Creekwalk Marketplace BID	1,841,480	—	—	—						
CS Urban Renewal Authority	4,440,805	—	—	—						
First & Main BID	117,885	—	—	—						
First & Main BID No. 2	1,275,546	—	—	—						
First & Main North BID	97,485	—	—	—						
Interquest North BID	1,253,025	—	—	—						
Interquest South BID	223,699	—	—	—						
Interquest Town Center BID	208,067	—	—	—						
MW Retail BID	1,208	—	—	—						
Park Union BID	2,211,183	—	—	—						
Powers & Woodmen Commercial BID	279,230	—	—	—						
Subtotal					(218,139)	(25,607)	(153,887)	(1,841,480)	—	—
Total component units	$ 51,274,219	$ 984,393	$ 11,063,061	$ 4,190,354	(326,196)	(41,340)	(794,706)	(1,914,916)	(482,948)	2,908,289
General revenues:										
Property taxes					333,455	62,824	473,680	42,704	811,867	—
Specific ownership taxes					39,146	7,378	56,193	5,454	105,476	—
Miscellaneous					—	—	—	805	56,789	—
Investment earnings					236	54	159	1,862	47,221	22,161,666
Total general revenues					372,837	70,256	530,032	50,825	1,021,353	22,161,666
Change in net position					46,641	28,916	(264,674)	(1,864,091)	538,405	25,069,955
Net position - January 1					(2,063,675)	(216,756)	3,914,807	(2,918,471)	2,875,600	165,825,270
Net position - December 31					$ (2,017,034)	$ (187,840)	$ 3,650,133	$ (4,782,562)	$ 3,414,005	$ 190,895,225

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

Changes in Net Position

CS Urban Renewal Authority	First & Main BID	First & Main BID No. 2	First & Main North BID	GSF BID	Greater Downtown CS BID	Interquest North BID	Interquest South BID	Interquest Town Center BID	MW Retail BID	Park Union BID	Powers & Woodmen Commercial BID	Total
												$ (108,057)
												(15,733)
												(640,819)
												(73,436)
												(482,948)
												2,908,289
												(1,693,073)
												(77,717)
												(620,979)
												(95,631)
												(16,533)
												(597,638)
												(827,561)
												(107,658)
												(51,690)
												(40,702)
												(908,613)
												(129,653)
$ (1,693,073)	$ (77,717)	$ (620,979)	$ (95,631)	$ (16,533)	$ (597,638)	$ (827,561)	$ (107,658)	$ (51,690)	$ (40,702)	$ (908,613)	$ (129,653)	(3,580,152)
												(14,136,377)
												(765,636)
												(4,207,000)
(14,136,377)	—	—	—	—	—	(765,636)	—	—	—	(4,207,000)	—	(19,109,013)
												(218,139)
												(25,607)
												(153,887)
												(1,841,480)
												(4,440,805)
												(117,885)
												(1,275,546)
												(97,485)
												(1,253,025)
												(223,699)
												(208,067)
												(1,208)
												(2,211,183)
												(279,230)
(4,440,805)	(117,885)	(1,275,546)	(97,485)	—	—	(1,253,025)	(223,699)	(208,067)	(1,208)	(2,211,183)	(279,230)	(12,347,246)
(20,270,255)	(195,602)	(1,896,525)	(193,116)	(16,533)	(597,638)	(2,846,222)	(331,357)	(259,757)	(41,910)	(7,326,796)	(408,883)	(35,036,411)
6,854,758	172,225	487,528	201,384	—	513,304	1,318,262	137,132	77,135	41	64,634	344,314	11,895,247
—	20,224	63,409	24,405	—	66,784	154,813	16,251	9,058	5	7,607	40,443	616,646
14,685,179	—	575,014	—	—	—	1,708,495	205,422	26,878	—	43,297	—	17,301,879
28,261	130	1,194	62	—	2,994	2,909	272	590	—	2,884	3,944	22,254,438
21,568,198	192,579	1,127,145	225,851	—	583,082	3,184,479	359,077	113,661	46	118,422	388,701	52,068,210
1,297,943	(3,023)	(769,380)	32,735	(16,533)	(14,556)	338,257	27,720	(146,096)	(41,864)	(7,208,374)	(20,182)	17,031,799
(82,992,299)	(233,324)	(11,439,881)	(589,165)	—	507,591	(1,135,504)	(854,348)	(129,843)	—	(1,869,982)	(854,463)	67,825,557
$ (81,694,356)	$ (236,347)	$ (12,209,261)	$ (556,430)	$ (16,533)	$ 493,035	$ (797,247)	$ (826,628)	$ (275,939)	$ (41,864)	$ (9,078,356)	$ (874,645)	$ 84,857,356

PROPRIETARY FUND COMPONENT UNITS

COMBINING BALANCE SHEET

December 31, 2021

	Fountain Valley Authority	Aurora - Colorado Springs Joint Water Authority	The Twin Lakes Reservoir and Canal Company
ASSETS			
Current assets			
Cash and investments	$ 3,509,241	$ 156,990	$ 4,170,519
Accounts receivable (net of allowance for uncollectibles)	4,744,281	—	801
Inventories	238,208	—	—
Due from primary government	—	—	—
Prepaids	2,167	—	14,427
Total current assets	8,493,897	156,990	4,185,747
Noncurrent assets			
Restricted cash and cash equivalents	1,994,987	—	—
Other	—	—	274,279
Capital assets nondepreciable:			
Land	65,147	—	—
Construction in progress	734,397	323,251	167,596
Capital assets depreciable:			
Machinery and equipment	—	—	—
Utility plant	91,688,964	9,940,819	14,605,790
Less accumulated depreciation	(41,882,788)	(3,398,839)	(8,215,109)
Total noncurrent assets	52,600,707	6,865,231	6,832,556
Total assets	$ 61,094,604	$ 7,022,221	$ 11,018,303
LIABILITIES AND NET POSITION			
Current liabilities			
Accounts payable	$ 1,217,831	$ —	$ 84,062
Due to primary government	—	—	—
Unearned revenue	2,619,636	—	—
Accrued interest payable	13,001	—	—
Notes payable	173,700	—	—
Capital lease payable	1,403,294	—	—
Total current liabilities	5,427,462	—	84,062
Noncurrent liabilities			
Notes payable	381,020	—	—
Total liabilities	5,808,482	—	84,062
Net position			
Net investment in capital assets	48,647,706	6,865,231	6,558,277
Restricted			
Debt service	1,994,987	—	—
Unrestricted	4,643,429	156,990	4,375,964
Total net position	55,286,122	7,022,221	10,934,241
Total liabilities and net position	$ 61,094,604	$ 7,022,221	$ 11,018,303

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

The Lake Meredith Reservoir Company	The Colorado Canal Company	The Lake Henry Reservoir Company	Pikes Peak Regional Communications Network	Total
$ 980,826	$ 910,864	$ 321,766	$ —	$ 10,050,206
—	9,698	716	357,310	5,112,806
—	—	—	—	238,208
—	—	—	6,767,025	6,767,025
3,923	29,031	1,933	—	51,481
984,749	949,593	324,415	7,124,335	22,219,726
85,097	—	—	—	2,080,084
—	25,334	32,409	—	332,022
—	—	—	—	65,147
—	—	—	—	1,225,244
—	—	—	35,510	35,510
3,447,774	2,799,503	1,586,827	—	124,069,677
(1,164,539)	(2,220,564)	(598,745)	(8,693)	(57,489,277)
2,368,332	604,273	1,020,491	26,817	70,318,407
$ 3,353,081	$ 1,553,866	$ 1,344,906	$ 7,151,152	$ 92,538,133
$ 9,414	$ 31,555	$ 7,542	$ 4,430,095	$ 5,780,499
—	—	—	2,374	2,374
—	—	—	—	2,619,636
16,398	—	—	—	29,399
52,567	—	—	—	226,267
—	—	—	—	1,403,294
78,379	31,555	7,542	4,432,469	10,061,469
754,101	—	—	—	1,135,121
832,480	31,555	7,542	4,432,469	11,196,590
2,283,235	578,939	988,082	26,817	65,948,287
—	—	—	—	1,994,987
237,366	943,372	349,282	2,691,866	13,398,269
2,520,601	1,522,311	1,337,364	2,718,683	81,341,543
$ 3,353,081	$ 1,553,866	$ 1,344,906	$ 7,151,152	$ 92,538,133

PROPRIETARY FUND COMPONENT UNITS

COMBINING STATEMENT OF ACTIVITIES

For the year ended December 31, 2021

	Expenses	Program Revenues: Charges for Services	Changes in Net Position: Fountain Valley Authority	Aurora - Colorado Springs Joint Water Authority	The Twin Lakes Reservoir and Canal Company
Fountain Valley Authority					
General government	$ 7,194,788	$ 15,064,309	$ 7,869,521		
Aurora-Colorado Springs Joint Water Authority					
General government	179,433	310,000		$ 130,567	
The Twin Lakes Reservoir and Canal Company					
General government	957,382	1,496,577			$ 539,195
The Lake Meredith Reservoir Company					
General government	104,334	247,876			
The Colorado Canal Company					
General government	765,926	850,187			
The Lake Henry Reservoir Company					
General government	105,041	164,029			
Pikes Peak Regional Communications Network					
General government	1,548,771	1,602,690			
Total component units	$ 10,855,675	$ 19,735,668			
Investment earnings			473	14	295
Total general revenues			473	14	295
Change in net position			7,869,994	130,581	539,490
Total net position - January 1			47,416,128	6,891,640	10,394,751
Total net position - December 31			$ 55,286,122	$ 7,022,221	$ 10,934,241

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

Changes in Net Position				
The Lake Meredith Reservoir Company	The Colorado Canal Company	The Lake Henry Reservoir Company	Pikes Peak Regional Communications Network	Total
				$ 7,869,521
				130,567
				539,195
$ 143,542				143,542
	$ 84,261			84,261
		$ 58,988		58,988
			$ 53,919	53,919
				8,879,993
89	105	17	70,525	71,518
89	105	17	70,525	71,518
143,631	84,366	59,005	124,444	8,951,511
2,376,970	1,437,945	1,278,359	2,594,239	72,390,032
$ 2,520,601	$ 1,522,311	$ 1,337,364	$ 2,718,683	$ 81,341,543

COLORADO
SPRINGS
OLYMPIC CITY USA
CELEBRATE
COLORADO SPRINGS
150
1871
2021

NOTES TO FINANCIAL STATEMENTS

COLORADO
SPRINGS
OLYMPIC CITY USA
CELEBRATE
COLORADO SPRINGS
150
1871
2021

TABLE OF CONTENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES 65
A. Reporting Entity 65
1. Governmental Fund Type Component Units 65
2. Proprietary Fund Type Component Units 66
3. Fiduciary Fund Type Component Units 68
4. Joint Ventures 69
B. Government-wide and Fund Financial Statements 70
C. Basis of Accounting 71
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance 73
1. Deposits and Investments 73
2. Receivables and Payables 73
3. Inventories and Prepaid Items 73
4. Restricted Assets 74
5. Capital Assets 74
6. Deferred Outflows/Inflows of Resources 75
7. Compensated Absences 76
8. Long-term Obligations 76
9. Net Position/Fund Balance 76
10. Municipal Solid Waste Landfill Closure and Postclosure Care Costs 78
11. Derivative Instruments 78

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY 79
A. Budgetary Information 79
B. Excess of Expenditures over Appropriations 79
C. Deficit Fund Equity 80

III. DETAILED NOTES ON ALL FUNDS 81
A. Unrestricted and Restricted Cash and Investments 81
1. Deposits 82
2. Investments 82
3. Component Unit Deposits and Investments 86
4. Fair Value Measurement 87
B. Receivables 90
C. Interfund and Component Unit Receivables, Payables and Transfers 91
D. Transfer of Surplus 92
E. Unavailable/Unearned Revenue 93
F. Inventories 93
G. Changes in Capital Assets 94
H. Leases 99
1. Operating Leases 99
2. Operating Leases (Component Units) 99
3. Capital Leases 99
4. Capital Leases (Component Units) 101
5. Lease and Integration Agreements 101

I. Revolving Loan Agreement/Letter of Credit 105
J. Long-term Debt 105
1. Summary of Long-term Debt 108
2. Changes in Long-term Liabilities 111
3. Annual Debt Service Requirements of Long-term Debt 113
K. Industrial Development Revenue Bonds and Other Instruments Issued under the Colorado County and Municipality Development Revenue Bond Act 118
L. Fund Balance 119
M. Derivative Instruments and Interest Rate Swaps 120
1. Utilities Derivative Instruments 120
N. Tax Abatements 125

IV. OTHER INFORMATION 126
A. Risk Management 126
B. Donor-restricted Endowments 127
C. Postemployment Benefits Other than Pensions 128
1. Colorado PERA Health Care Trust Fund 128
2. The City of Colorado Springs OPEB Plan 137
3. Colorado Springs Utilities OPEB Plan 143
D. Commitments and Contingent Liabilities 146
1. Construction and Purchase Commitments 146
2. Refunded Bonds 147
3. Charter Amendments 147
4. Litigation 148
5. Contingent Liabilities 149
6. Environmental Matters 149
E. Passenger Facility Charges 149
F. Customer Facility Charges 149
G. Joint Ventures - Utilities 149
H. Retirement Plans 150
1. Non-Uniformed Employees 151
2. Uniformed Employees 161
I. Subsequent Events 180

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Colorado Springs (City) is a home-rule city, organized under provisions of the Colorado Constitution. In 2011, the City transitioned to a "council-mayor" form of government as the result of the November 2, 2010, municipal election. Historically, the City had been managed by a "council-manager" form of government. The City provides services, as authorized by its Charter, to advance the welfare and safety of the City and its residents.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to units of local government and promulgated by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies.

A. Reporting Entity

As required by accounting principles generally accepted in the United States of America, these financial statements present the primary government and its component units, those entities for which the City is considered to be financially accountable. Blended component units are those entities, which while legally separate, are, in substance, part of the City's operation and the financial data for which are combined with that of the City and reported at both the government-wide and fund financial reporting level. Discretely presented component units are legally separate entities for which the financial data are presented separately from the financial data of the City. The City has blended the General Improvement Districts and Public Authority for Colorado Energy. All other component units are discretely presented.

1. Governmental Fund Type Component Units

General Improvement Districts – Briargate, Market Place at Austin Bluffs, and Spring Creek. General Improvement Districts (GIDs) were created under provisions of Colorado state statutes. Each district has the power to acquire, construct or install public improvements within its own boundaries and to finance such improvements by levying a general property tax upon the benefiting property. The GIDs are legally separate entities from the City. Because City Council sits as the Board of Directors for each of the GIDs, and the City can impose its will over the GIDs, their financials are blended in the City financial statements. Services provided by the GIDs are entirely for the benefit of the citizens of each respective district. The fiscal year-end for each of these districts is December 31.

Colorado Springs Health Foundation – Colorado Springs Health Foundation (CSHF) was established in 2012 under the provisions of City Council Resolution No. 121-12, resulting from the lease of Memorial Health System (MHS System) by University of Colorado Health (UCH). CSHF is a 501(c)(3) nonprofit corporation which receives funds from the City originating from the lease which are not held for other purposes in accordance with the agreements (see Note III.H.5). The CSHF will make distributions from those funds for the purpose of addressing health issues in the MHS System service area. CSHF is discretely presented in the City's financial statements. CSHF is a legally separate entity from the City. The City does, however, appoint a voting majority of CSHF's board and is able to impose its will on CSHF. The City's board and CSHF's board are not substantively the same. The fiscal year-end for CSHF is December 31.

Colorado Springs Urban Renewal Authority – The Colorado Springs Urban Renewal Authority (CSURA) was formed under the provisions of Colorado state statutes. The CSURA has the power to issue tax increment financing in order to acquire property and fund improvements. CSURA is discretely presented in the City's financial statements. CSURA is a legally separate

entity from the City. The City does, however, appoint a voting majority of CSURA's board and is able to impose its will on CSURA. The City's board and CSURA's board are not substantively the same. Services provided by CSURA are entirely for the benefit of the citizens. The fiscal year-end for CSURA is December 31.

Colorado Springs Downtown Development Authority – The Colorado Springs Downtown Development Authority (the Authority) was established in 2007 by the City of Colorado Springs City Council. The Authority was organized for the public health, safety, prosperity, security and welfare in order to halt or prevent deterioration of property values or structures within the central business district. Operations are financed primarily by tax revenues collected on real and personal property located within the central business district. The Authority is a separate legal entity and is discretely presented in the City's financial statements. An eleven-member board, as provided by the City of Colorado Springs, Colorado Ordinance 07-15, governs the Authority. The fiscal year-end for the Authority is December 31.

Business Improvement Districts – Barnes & Powers North, Barnes & Powers South, Briargate Center, Creekwalk Marketplace, First & Main, First & Main No. 2, First & Main North, GSF, Greater Downtown Colorado Springs, Interquest North, Interquest South, Interquest Town Center, MW Retail, Park Union (formerly Southwest Downtown), and Powers & Woodmen Commercial. Business Improvement Districts (BIDs) were created under provisions of Colorado state statutes. The BIDs have the power to acquire, construct or install public improvements within their own boundaries and to finance such improvements by levying a general property tax upon the benefiting property. The BIDs are discretely presented in the City's financial statements. The BIDs are legally separate entities from the City. The City does, however, approve the budgets and is able to impose its will on the BIDs. The City's board and the BID boards are not substantively the same nor does the City appoint a voting majority of the BIDs board. Services provided by the BIDs are entirely for the benefit of the business communities in the districts. The fiscal year-end for the BIDs is December 31. Catalyst Campus, Gold Hill North, and USAFA Visitor's Center had no financial activity in 2021 and therefore are not displayed in the City's financial statements.

The financial statements of each of these entities may be obtained at the following address:

City of Colorado Springs
Chief Financial Officer
30 South Nevada Avenue, Suite 202
Colorado Springs, CO 80903

2. Proprietary Fund Type Component Units

Public Authority for Colorado Energy (PACE) – In June 2008, the City contracted to purchase approximately 20.0% of Utilities' natural gas supply needs for 30 years through a natural gas prepayment transaction with Merrill Lynch Commodities, Inc., Bank of America Corporation and Royal Bank of Canada that is financed by PACE non-recourse revenue bonds. PACE is obligated to pay the principal and interest on the PACE Bonds. Utilities is obligated to purchase and pay for natural gas tendered for delivery by PACE at an index price minus a predetermined discount and is not obligated to make payments in respect to debt service on the PACE Bonds. PACE is a legally separate entity and provides services entirely to Colorado Springs Utilities (Utilities), an enterprise fund of the City. Because PACE provides services entirely to Utilities, PACE is considered a blended component unit.

The following proprietary fund type component units are discretely presented as they are legally separate from the City, the City Council and the Boards of Directors of the component units are not substantively the same, and the component units do not provide services exclusively to the City.

Fountain Valley Authority – The Fountain Valley Authority constructed a water treatment plant, approximately 17 miles south of the City, with 18,000,000 gallons per day capacity. Utilities acts as operator of the plant under contract with the Fountain Valley Authority. Utilities is entitled to receive approximately 71.4% of the water treated at the Fountain Valley Authority plant. The remaining water is available to the other Fountain Valley Authority participants, which include the City of Fountain, the Security Water District, the Stratmoor Hills Water District and the Widefield Water and Sanitation District, each of which owns and operates a water distribution system. The Fountain Valley Authority is a legally separate entity and is under the direction of a Board of Directors consisting of eight persons appointed by the member governments they represent. The Establishing Contract specifies that the Board of Directors is made up of four members designated by the City and one designated each by the remaining four participants. Fountain Valley Authority is a component unit due to the nature and significance of its relationship to the City.

Under the applicable long-term contracts relating to the Fountain Valley Authority, Utilities is obligated to pay water treatment service charges to the Fountain Valley Authority and water conveyance service charges to the U.S. Bureau of Reclamation (Bureau) for conveyance of its water through the Bureau's Fountain Valley Conduit, which conveys raw water from the Pueblo Reservoir to the Fountain Valley Authority's treatment plant and treated water from the treatment plant to distribution reservoirs of the Fountain Valley Authority participants.

Aurora-Colorado Springs Joint Water Authority – The Aurora-Colorado Springs Joint Water Authority has constructed a 66-inch diameter pipeline from the Twin Lakes Dam, which is located approximately 12 miles south of Leadville, Colorado, to connect with the Otero Pumping Station intake pipeline located approximately 10 miles north of Buena Vista, Colorado. The sole participants and customers of the Aurora-Colorado Springs Joint Water Authority are Utilities and the City of Aurora. The Aurora-Colorado Springs Joint Water Authority is a legally separate entity and is under the direction of the Board of Directors consisting of six voting members and two nonvoting members. Three voting directors represent each city and are appointed by the city councils of each city. Utilities has a 66.7% participation share in the Aurora-Colorado Springs Joint Water Authority's project, which was determined by the parties on the basis of their projected pumping demands. No provision is made in the Aurora-Colorado Springs Joint Water Authority contracts for adjustments in participation shares if actual pumping demands differ from these projections. Therefore, it is possible that the transmission service charges to be paid by Utilities will be disproportionate to the water transmission service that Utilities is using during a particular time period. Aurora-Colorado Springs Joint Water Authority is a component unit due to the nature and significance of its relationship to the City.

Canal and Reservoir Companies – Utilities owns from 51.9% to 77.2% in four canal and reservoir companies which include The Twin Lakes Reservoir and Canal Company, The Lake Meredith Reservoir Company, The Colorado Canal Company and The Lake Henry Reservoir Company. This ownership interest represents proportionate ownership and control of the companies' facilities and water rights. The water rights add significant physical water to the water supply portfolio in addition to allowing for exchange, storage, staging, and delivery of Utilities' water supply.

Other auditors have examined the financial statements of each of these entities, and their complete individual financial statements may be obtained at the following address:

Colorado Springs Utilities
Chief Planning and Finance Officer
P.O. Box 1103, Mail Code 950
Colorado Springs, CO 80947-0950

Pikes Peak Regional Communications Network (PPRCN) - PPRCN was established by an intergovernmental agreement between the City and El Paso County (County) on December 1, 1999. PPRCN commenced operations during 2001 and is governed by a five member Board of Directors of which two members are appointed by the City, one is appointed by Utilities, and two are appointed by the County. PPRCN was established to provide a modern, trunked radio system, available to the participating public safety and public service activities, throughout the City and the County.

The complete individual financial statements for PPRCN may be obtained at the following address:

City of Colorado Springs
Chief Financial Officer
30 South Nevada Avenue, Suite 202
Colorado Springs, CO 80903

3. Fiduciary Fund Type Component Units

Pension Trust Funds - The Colorado Springs Old Hire Fire and Police pension plans are single-employer closed plans with no active employees. The Fire and Police Pension Association (FPPA) invests the assets of these plans, in an investment structure approved by the City, and administers the distribution of benefit payments to the retirees. However, the responsibility for determining the amounts of those benefit payments remains with the City. The City is also responsible for governance of the plans through the Old Hire Police and Fire Pension boards. The City constitutes the majority on both Old Hire boards and, therefore, has the ability to impose its will upon the plans. Financial burden remains with the City which is the sole source of the actuarially determined annual funding of the plans. As a result, the plans are reported separately as fiduciary component units of the City in exhibits H-1 and H-2.

FPPA issues a publicly available financial report that includes financial statements and required supplementary information for FPPA. That report may be obtained by outline at https://fppaco.org/annual-reports.html or by writing to:

Fire and Police Pension Association of Colorado
5290 DTC Parkway, Suite 100
Greenwood Village, CO 80111-2721
(303) 770-3772

4. Joint Ventures

The City has joined with other governmental entities in a joint venture to provide building and construction code inspection and enforcement. The joint venture, Pikes Peak Regional Building Department (PPRBD), in which the City participates, is not considered a component unit and is, therefore, not included in the City's reporting entity. The PPRBD was formed in accordance with intergovernmental agreements among various affected local governments to administer and enforce building and construction codes on behalf of its member entities. Member entities are the City, the County and the cities of Manitou Springs, Green Mountain Falls, Fountain, and the towns of Monument and Palmer Lake. A three-member commission appointed by the City, the County and a member selected by the remaining municipalities, governs the PPRBD. The City has not invested money in the PPRBD and the commission is required to set its fees so as to fully recover operating expenses. Since the City has only a residual equity interest, the equity method is not considered appropriate for this joint venture.

The City has joined with the County, Manitou Springs and the towns of Green Mountain Falls, Ramah and Calhan, in a joint venture to provide infrastructure improvements for their various municipalities. The joint venture, Pikes Peak Rural Transportation Authority (PPRTA), is not considered a component unit of the City and is, therefore, not included in the City's reporting entity. PPRTA is funded with a 1% sales and use tax approved by voters in November 2004. In 2012, voters approved the extension of the expiring portion of the tax for capital improvements for another ten years starting in 2015 and running through 2024. PPRTA funds are allocated to the various municipalities and are to be used for capital projects, maintenance programs, and transit services. PPRTA is governed by a ten-member board appointed by the member municipalities.

The City of Colorado Springs, along with multiple agencies within El Paso and Teller Counties, has entered into a joint venture to provide the technical infrastructure necessary to connect emergency 9-1-1 telephone callers with the proper communication center. The joint venture of the El Paso-Teller County Emergency Telephone Service Authority (E911 Authority), in which the City participates, is not considered a component unit and is, therefore, not included in the City's reporting entity. The E911 Authority was formed by an intergovernmental agreement in 1989 and is governed by a nine-member board appointed by the City (3 members), El Paso County (2 members), Teller County (1 member), and the Board itself (3 members) from a list of qualified nominees. The E911 Authority is funded entirely by a $1.35 per phone line tariff applied to every wire line and wireless telephone with a subscriber address within the two-county area. The funds are used to maintain the emergency telephone system infrastructure, call-answering and processing equipment, back-up power supplies, and furnishings at each of the communication centers in the two county service area.

The City's Fire Department is a member of the Colorado Metropolitan Certification Board (CMCB), a joint venture along with the Denver Fire Department, Aurora Fire Department, West Metro Fire Protection District, South Metro Fire Protection District, Poudre Fire Authority, South Adams County Fire Department, and Caste Rock Fire and Rescue, that provides certification of fire training to its member fire departments. The CMCB is accredited by the National Board on Fire Service Professional Qualifications for fire service certifications. The joint venture of the CMCB, in which the City participates, is not considered a component unit and is, therefore, not included in the City's reporting entity. The CMCB was formed in accordance with an intergovernmental agreement in 1996 (most recently updated in 2020) and is governed by the current eight voting members. The eight-member board is comprised of Training Chiefs appointed by each Department's Fire Chief. It is intended that each of the CMCB member governments cover one-eighth of the operational expenses associated with the CMCB.

Utilities has an equity interest of 5.0% in Young Gas Storage Company Ltd. (Young). Young is a Colorado Limited Partnership organized on June 30, 1993, to develop and operate a natural gas storage system near Fort Morgan, Colorado.

The financial statements of the PPRBD, the PPRTA, the E-911 Authority and the CMCB may be obtained at the following address:

City of Colorado Springs
Chief Financial Officer
30 South Nevada Avenue, Suite 202
Colorado Springs, CO 80903

The financial statements of Young may be obtained at the following address:

Colorado Springs Utilities
Chief Planning and Financial Officer
P.O. Box 1103, Mail Code 950
Colorado Springs, CO 80947-0950

B. Government-wide and Fund Financial Statements

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. Interfund activity has been eliminated in the process of consolidating the government-wide financial statements, except for the interfund services provided and used. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period for all sales tax transactions or within 60 days of the end of the current fiscal period for all other transactions. Expenditures are recognized when the related liability is incurred, with the exception of debt service expenditures and expenditures related to compensated absences and claims and judgments which are recorded when due.

Licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental fund:

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

The City reports the following major proprietary funds:

- Utilities fund provides water and wastewater collection, treatment, and distribution system; electric generation, transmission, distribution and street light system; and gas distribution system.
- PACE fund provides natural gas to Utilities.
- MHS fund carries out its rights and duties under the Lease Agreement as described in Note III.H.5.

Additionally, the City reports the following fund types:

- Special revenue funds account for revenue derived from specific sources that are restricted legally or by regulation.
- Capital projects funds account for financial resources used for the acquisition or construction of major capital facilities and infrastructure.
- Permanent funds account for the activities of resources that are legally restricted to the extent that earnings, but not principal, may be used for purposes that support the City's programs.

- Internal service funds account for general liability insurance, workers' compensation insurance, health insurance, printing and mailing services, and radio services provided to other departments or agencies of the City on a cost-reimbursement basis.

- Fiduciary funds consist of pension trust funds. These pension funds account for the activities of two City police and fire pension plans. Pension resources and benefit payments to qualified public safety employees for the Old Hire Police and Old Hire Fire pension plans occur in these fiduciary funds. Additional information on these plans is available in Note IV.H.2.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are surplus revenue and other charges between the General Fund and Utilities. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

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

As a general policy, when both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. The policy differs for special revenue and permanent funds as discussed in Note D.9.

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D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position or Fund Balance

1. Deposits and Investments

In accordance with City Code and Colorado state statutes, the City maintains an Investment Policy approved by City Council. Per the Investment Policy, the City is authorized to invest in obligations of the United States, certain US instrumentalities; certain international agency securities; general obligation or revenue bonds of any state or local government of the U.S.; bankers acceptances of certain banks; certain commercial paper; local government investment pools; written repurchase agreements properly collateralized by certain authorized securities; certain money market funds; negotiable and time certificates of deposit; corporate bonds; and guaranteed investment contracts.

Also in accordance with City Code, the City maintains a separate Cemetery Endowment Fund (CEF) Investment Policy approved by City Council. Per the CEF Investment Policy, the City is authorized to invest in a broader class of assets including fixed income instruments, domestic and global equities, special opportunities and commodities. The investment vehicles used to gain exposure to the asset classes may include mutual funds, commingled trust funds, separate accounts, limited partnerships, and offshore exempted companies.

For purposes of the statements of cash flows, cash and cash equivalents include amounts on hand and in demand deposits with original maturities of 90 days or less.

Investments are stated at fair value based on quoted market prices.

Disaggregated asset amounts for the pension trust funds are not available from FPPA.

2. Receivables and Payables

Outstanding balances between funds at the end of the fiscal year are referred to as “due to/from other funds”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances”.

Trade and property tax receivables shown on the financial statements are net of an estimated allowance for uncollectibles.

The County Assessor certifies property valuations to the City on November 25 of each year. By December 15, the City sets and certifies its mill levy rate with the County, which then bills and collects the property taxes due. These property taxes attach as an enforceable lien on January 1 of the tax year. The taxes are payable in two installments on February 28 and June 15, or in one installment due April 30.

3. Inventories and Prepaid Items

Inventories held for resale, exclusive of component units, are reported at the lower of cost or market. Inventories of supplies are reported at cost. Proprietary fund inventories, including internal service funds, consist of materials, supplies, and fuel stock. The costs of inventories are recorded as expenditures when consumed rather than when purchased. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. At the combining and individual fund

reporting level, an equal amount of fund balance is considered non-spendable as the amount is not available for general appropriation.

Business-type activities show a significant prepaid item for PACE. PACE has prepaid for delivery of natural gas with the proceeds from bonds and entered into a Prepaid Gas Agreement (Agreement) effective June 11, 2008. PACE amortizes the historical cost of the prepaid gas supply pursuant to the Agreement on a net present value (NPV) basis based upon the change in the NPV of the Agreement over its remaining thirty-year contract life.

4. Restricted Assets

In accordance with applicable bond covenants, ordinances and conditions attached by donors, certain investments are displayed as restricted on the financial statements of certain funds. Restricted investments are carried at fair value.

5. Capital Assets

Capital outlays are recorded as expenditures of governmental funds in the fund financial statements and as assets in the government-wide financial statements to the extent the City's capitalization thresholds, $5,000 for general assets and $500,000 for infrastructure assets, are met. Depreciation is recorded on capital assets on a government-wide basis using the straight-line method. To the extent the City's capitalization thresholds are met, capital outlays of the proprietary funds are recorded as capital assets and depreciated over their useful lives using the straight-line method of depreciation on both the fund basis and the government-wide basis of accounting. The following are the estimated useful lives used for the straight-line method of depreciation:

Infrastructure	20 - 35 years
Buildings	10 - 40 years
Utility plant	25 - 100 years
Improvements other than buildings	15 - 25 years
Furniture and equipment	3 - 15 years
Intangibles	5 - infinite

Donated assets are valued at their estimated acquisition value on the date of receipt. The City does not capitalize historical treasure or works of art.

GASB Statement No. 83, *Certain Asset Retirement Obligations* was effective for the City in 2019. The City performed an assessment of its legal obligations to perform future asset retirement activities related to its tangible capital assets and determined there are no material obligations as of December 31, 2021. An annual assessment is performed, and any future material obligations will be recorded in the period they are identified.

Utilities computes depreciation and amortization on plant in service on a straight-line, service-life basis. Depreciation is calculated using the following estimated maximum service lives for major asset classifications:

Electric boiler plant/station equipment	25 years
Electric underground conduit	28.5 years
Gas mains and services	80 years
Water source of supply	100 years
Water treatment plant	25 years
Water transmission and distribution mains	50 years
Sewer mains and laterals	100 years
Wastewater preliminary treatment facility	45 years
General structures and improvements	57 years
Intangibles	50 years

6. Deferred Outflows/Inflows of Resources

The statement of net position and balance sheet will report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City only has four items that qualify for reporting in this category. The first item is *deferred cash flow hedges – unrealized loss on derivative instruments* reported in the government-wide statement of net position and the proprietary funds balance sheet. This amount is recognized when the interest rate cap is exercised. The second, *loss on debt refundings*, is reported in the government-wide statement of net position, the proprietary funds balance sheet, and governmental fund component units combining statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The third and fourth items recorded as a deferred outflow of resources are for pension-related amounts and other postemployment benefit (OPEB) related amounts as described below.

The statement of net position and balance sheet will report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City has four types of items that qualify for reporting in this category. The first item, *unavailable revenue*, is reported in the governmental funds balance sheets, government-wide statement of net position, and governmental fund component units combining statement of net position. The governmental funds report unavailable revenues from two sources: property taxes and loans. These amounts are initially deferred on the statement of net position and subsequently recognized on the statement of activities as an inflow of resources in the following fiscal year, when the amounts become available for spending. The second item, *gain on debt refundings*, is reported in both the government-wide statement of net position and proprietary funds balance sheet. Gain on debt refundings is deferred and amortized over the shorter of the life of the refunded or refunding debt. The third and fourth items recorded as a deferred inflow of resources are for pension-related amounts and OPEB related amounts as described below.

Deferred inflows and outflows of resources *related to pensions* as well as *related to OPEB* arise from differences between expected and actual experience with regard to economic and demographic factors, changes of assumptions or other inputs, projected and actual plan

earnings, and changes in proportionate share (if a cost sharing plan). These deferrals are amortized over a closed period. The amounts not recognized as a pension expense and OPEB expense in the current period are reported as deferred outflows or deferred inflows related to pensions and deferred outflows or deferred inflows related to OPEB, respectively. Contributions made to the plans subsequent to the plans fiduciary net position measurement date are recorded as deferred outflows of resources related to pensions and deferred outflows of resources related to OPEB.

7. Compensated Absences

City employees earn sick leave and vacation leave in varying amounts depending upon years of service. The City accrues compensated absences in the government-wide and proprietary fund financial statements. A liability for the amount is reported in governmental funds only if they have matured, for example as a result of employee resignations and retirements.

8. Long-term Obligations

For long-term obligations, only the current portion, or the portion financed from expendable available financial resources, is reported on the governmental fund financial statements. The current and non-current portions are recorded in the government-wide and the proprietary fund financial statements. For certain debt issues, Utilities enters into interest rate swap agreements to modify their interest rates on outstanding debt.

In the government-wide and proprietary fund financial statements, bond premiums and discounts, as well as prepaid insurance costs related to issuance, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount. Prepaid insurance costs related to bond issuance are amortized over the term of the related debt. In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as prepaid insurance costs and other costs related to bond issuance, during the period in which they occur. The face amount of debt issued is reported as other financing sources. Premiums and discounts received on debt issuance are reported as other financing sources or uses. Prepaid insurance costs and other costs related to bond issuance, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

9. Net Position/Fund Balance

Sometimes the City will fund outlays for a particular purpose from both restricted (restricted bonds or grant proceeds) 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 is made about the order in which the resources are considered to be applied. It is the City's policy to consider restricted net position to have been depleted before unrestricted net position is applied.

In the fund financial statements, fund balance of the City's governmental funds are classified as nonspendable, restricted, committed, assigned, or unassigned. A governmental fund other than the General Fund may not necessarily have all five components of fund balance.

Nonspendable fund balances indicate amounts that cannot be spent either 1) due to form, for example, prepaid items and inventories, or 2) due to legal or contractual requirements to be maintained intact, for example, the principal of an endowment or the capital of a revolving loan fund. It also includes assets that will not convert to cash soon enough to affect the current period such as the long-term portion of loans and notes receivable as well as property held for resale.

Restricted fund balances indicate amounts subject to externally enforceable legal restrictions. Such restrictions are typically imposed by parties altogether outside the City such as creditors, grantors, contributors, or other governments.

Committed fund balances indicate amounts constrained by limitations that the City, by resolution, imposes on itself by City Council (highest decision making level). It requires the same level of resolution by City Council to remove or change the constraints placed on the resources. The action that imposed the limitation would need to occur no later than the close of the reporting period.

Assigned fund balance is the portion of fund balance that reflects the City's intended use of resources but does not meet the criteria to be classified as committed. The City's Charter authorizes the Mayor or Mayor's designee to assign fund balance through the use of encumbrances. City 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 often exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Interest earned on fund balances is assigned to be used by that fund unless otherwise specified through City Council or voter documentation.

Unassigned fund balances indicate amounts in the General Fund that are not classified as non-spendable, restricted, committed, or assigned. The General Fund is the only fund that would report a positive amount in unassigned fund balance. Negative fund balances in other governmental funds are reported as unassigned once other purposes for that fund are reduced. Additionally, for the General Fund, any negative restricted, committed, or assigned fund balance would be eliminated by reducing unassigned fund balance first.

For the General Fund, in the event that an expenditure can be considered restricted or unrestricted (committed, assigned, or unassigned) and both have available amounts, the expenditure will be first applied against the most restrictive fund balance classification.

The order of use of funds for special revenue funds and other (permanent) funds will be from the least constrained to most constrained (assigned, committed, restricted, and then non-spendable).

In the City's Financial Policies included in the annual budget document, the City's goal target range for the General Fund reserve – unrestricted fund balance is 16.67% to 25.00% of the following year's expenditure budget. The target for the unrestricted General Fund balance would exclude the TABOR emergency reserves but include other categories of fund balance that are committed, assigned or unassigned.

10. Municipal Solid Waste Landfill Closure and Postclosure Care Costs

The City is subject to the Colorado Department of Public Health and Environment regulations, which require the City to incur closure and postclosure care costs for landfills. As of December 31, 2021, the Utilities fund recognized a liability of $5,520,835 for closure and postclosure care costs based upon landfill capacity used to date. The estimated total current cost of closure and postclosure care to be recognized for the Utilities fund landfills is $8,826,675. The average landfill capacity used to date is 68.9%. As of December 31, 2021, the governmental activities recognized a liability of $350,244 for closure and postclosure care costs in the government-wide financial statements. There are no financial assurance requirements or restricted assets for the payment of closure and postclosure care costs. Estimates are stated in current dollars and shall be adjusted annually for inflation and changes in laws and regulations. An independent assessment is done every five years to verify this cost. Based on the last independent assessment adjusted for inflation, the total closure and postclosure costs for governmental and business-type activities combined are $9,176,919. The last independent assessment was completed in 2018.

11. Derivative Instruments

Utilities uses financial derivative instruments to manage its exposure to fluctuating natural gas prices through the use of natural gas hedge contracts as well as its exposure to changing interest rates through the use of interest rate swaps. See Note III.M. for further discussion related to derivative instruments and interest rate swaps.

All financial derivative instruments are stated on the balance sheet at fair value as of December 31, 2021, based on quoted market prices, current market conditions, or other estimates obtained from third-party broker dealers or valuation services.

Derivative instruments deemed effective by applying methods of evaluating effectiveness pursuant to GASB 53, *Accounting and Financial Reporting for Derivative Instruments*, are recognized as cash flow hedges. Changes in the fair value of cash flow hedge derivative instruments are reported as either a deferred cash flow hedge outflow or inflow on the government-wide statement of net position and the proprietary funds balance sheet.

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II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with City Charter, the Mayor is required to submit a balanced budget to City Council on or before the first Monday in October each year. The budget is reviewed and modified if supported by a majority of City Council and an appropriation ordinance prepared to adopt the budget. According to City Charter, the appropriation ordinance is to be adopted no later than December 31st each year. City budgeting and accounting systems provide for program planning of expenditures by function and activity within the funds. Amendments to the original budget were material in relation to the initial appropriation.

The City prepares annual budgets and maintains budgetary controls for all funds in order to ensure compliance with the annual appropriation ordinance as approved by City Council. The legal level of budgetary control for all funds, other than the General Fund, is at the fund level. For the General Fund, the legal level of budgetary control is appropriating departments determined during the annual budget process. Transfer of appropriation within the budget of an appropriating department may be authorized by approval of the affected General Fund department head. Transfer of appropriation within the budget of the other funds may be authorized by approval of the affected department head. Such transfers are filed with the Chief Financial Officer but require no City Council action. Any net increase of appropriation to a fund or transfer between General Fund appropriating departments requires City Council action. The budget is prepared in a manner consistent with the Colorado state statutes. However, unlike the financial basis of reporting, the City's budget is prepared completely on a modified accrual basis.

Appropriations for all funds that are not budgeted on a project-length basis lapse at year-end except for contractually encumbered and reserved appropriations. Project-length budgets are those where appropriations are initially made to individual projects and do not lapse until such time as the project is complete. Project-length budgets are adopted for all capital projects as well as for intergovernmental grants, capital improvements, special projects and special assessments. All budgets are prepared on the modified accrual basis and are reported as such.

B. Excess of Expenditures over Appropriations

During 2021, expenditures exceeded appropriations for the Park Developer Easement Fund by $114 as a result of unanticipated allocated expenditures including bank and investment fees. The Woodstone Improvement Maintenance District Fund exceeded appropriations by $612 due to the cost of a water construction project that exceeded budget. The Valley Hi Golf Fund exceeded appropriations by $23,843 due to extended fall weather which resulted in increased costs for seasonal labor, cart concessions, utilities and fuel costs.

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C. Deficit Fund Equity

The Public Authority for Colorado Energy, a proprietary fund, had deficit fund equity as of December 31, 2021. The deficit of $167,603,000 relates to bonds issued for prepaid natural gas contracts and capital assets. The Cemetery fund had deficit fund equity as of December 31, 2021. The deficit in the Cemetery fund of $35,829 is due to fluctuations of pension and OPEB obligations. Three of the internal service funds have deficit fund equity at year-end. The deficits in the Claims Reserve Self-Insurance fund and the Workers' Compensation Self-Insurance fund of $2,570,297 and $12,891,962, respectively, are entirely due to incurred but not reported claims. Similarly, the deficit in the Employee Benefits Self-Insurance fund of $6,579,206 is largely due to incurred but not reported claims. The incurred but not reported claims are actuarial estimates. As these claims become realized, appropriate funding is transferred into these self-insurance funds. Until that time, these funds will continue to reflect deficit fund equity at year-end. The following governmental fund component units have deficit fund equity at year-end: Barnes & Powers North BID $2,017,034, Barnes & Powers South BID $187,840, Creekwalk Marketplace BID $4,782,562, CSURA $81,694,356, First & Main BID $236,347, First & Main BID No. 2 $12,209,261, First & Main North BID $556,430, GSF BID $16,533, Interquest North BID $797,247, Interquest South BID $826,628, Interquest Town Center BID $275,939, MW Retail BID $41,864, Park Union BID $9,078,356 and Powers & Woodmen Commercial BID $874,645. These deficits relate to bonds and other noncurrent liabilities that have been issued for capital assets. The deficits will decrease over time as the entities collect the dedicated general property taxes to make payments on the bonds. Additional information about the component units can be found in their respective financial statements.

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III. DETAILED NOTES ON ALL FUNDS

A. Unrestricted and Restricted Cash and Investments

The City's restricted and unrestricted cash and investments, exclusive of component units, total $938,032,000 and consist of the following on December 31, 2021 (in 000's):

Investment Type	Unrestricted Assets	Restricted Assets	Total
Demand accounts (incl petty cash of $50)	$ 52,634	$ 37,809	$ 90,443
Colorado Liquid Asset Trust (COLOTRUST)	251,735	40,205	291,940
Colorado Surplus Asset Trust Fund (CSAFE)	—	100,330	100,330
Commercial paper	541	—	541
Corporate bonds	31,553	—	31,553
Domestic equities	—	1,545	1,545
Domestic partnership	—	402	402
Federal agency bonds	20,755	—	20,755
Guaranteed investment contract	—	6,924	6,924
Money market mutual funds	2,647	3,028	5,675
Mortgages pooled	4,239	—	4,239
Municipal bonds	24,322	—	24,322
Mutual funds	—	13,393	13,393
Supra-national securities	3,303	—	3,303
US instrumentality securities	110,711	—	110,711
US treasury securities	207,271	24,685	231,956
Total	$ 709,711	$ 228,321	$ 938,032

Note: Immaterial differences may occur due to rounding.

Reconciliation of total deposits and investments to the financial statements at December 31, 2021 (in 000's):

	Governmental Activities	Business-type Activities	Total
Unrestricted	$ 308,696	$ 401,015	$ 709,711
Restricted	24,722	203,599	228,321
Total	$ 333,418	$ 604,614	$ 938,032

Note: Immaterial differences may occur due to rounding.

1. Deposits

The carrying amount of the City's deposits at December 31, 2021, was $90,393,000 and the bank balances were $102,733,000. Of the bank balances, $891,000 was covered by federal deposit insurance and $101,842,000 was uninsured but collateralized in accordance with provisions of the Colorado Public Deposit Protection Act (CPDPA). The collateral is pooled and held in trust for all uninsured deposits as a group. The Federal Deposit Insurance Corporation (FDIC) covers $250,000 per depositor, per insured bank, for each account ownership category. Therefore, the City's deposits are not subject to custodial credit risk.

2. Investments

The City, a home-rule municipality operating under its City Charter, is allowed under Colorado state statutes to promulgate and implement local standards for cash and investment management operations. The adopted investment policy for the City authorizes all investments shall be made in accordance with applicable City policies, Colorado state statutes, and Federal regulations. The provisions of the City's investment policy apply to all investable funds of the City to include bond ordinance accounts and reserve accounts. Excluded from the City investment policy are Utilities' funds, trust and endowment funds, and money held in bank checking accounts for operating purposes. Utilities has adopted individual investment policies to manage their investment portfolios. The investments of the City are reported in aggregate to include investments of money related to governmental and business-type activities, individual major funds and non-major funds. The City's investments are subject to interest rate risk, credit risk, concentration of credit risk and custodial credit risk.

Interest rate risk - Interest rate risk is the risk that changes in the financial market rates of interest will adversely affect the value of an instrument. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City investment policy limits investment maturities to less than five years. The Utilities investment policy further defines this requirement by limiting investments of their income fund to maturities of two years or less.

Credit risk - Credit risk is the risk of loss due to a debtor's non-payment of a loan or other line of credit (either principal, interest or both). The City's investment policy authorizes the City to invest in obligations of the United States or agencies thereof, commercial paper, municipal bonds, corporate bonds, bankers acceptances, local government investment pools, specific money market mutual funds, time certificates of deposit, repurchase agreements and obligations of the City of Colorado Springs. To mitigate credit risk, the City's investment policy outlines credit rating benchmarks for these obligations.

Concentration of credit risk - Concentration of credit risk is the risk of loss attributable to the magnitude of the City's investments in a single issuer. Concentration risk is defined by the GASB as positions of 5% or more of total investments in the securities of any one issuer. The City's pooled investments are in compliance with the City's investment policy which limits investments with any single issuer other than the Federal Government to 5% of total investments. The securities of the Federal Government are defined as obligations of the United States Treasury and are explicitly guaranteed by the United States Government. None of the City's pooled investments at December 31, 2021, were subject to concentration of credit risk.

Custodial credit risk - Custodial credit risk is the risk, that in the event of the failure of a depository financial institution, the City will not be able to recover the value of its investments or collateral securities that are in possession of an outside party. City investments are placed in depository financial institutions by a designated investment adviser during the fiscal year.

Investments are exposed to custodial credit risk if they are uninsured, are not registered in the City's name and are held by either the counterparty to the investment purchase or held by the counterparty's trust department or agent but not held in the City's name. None of the City's investments owned at December 31, 2021, were subject to custodial credit risk.

As of December 31, 2021, the City had the following investment maturities (in 000's):

Investment Type		Total	Weighted Average Maturity (Years)
Colorado Liquid Asset Trust (COLOTRUST)	$	291,940	0.00
Colorado Surplus Asset Trust (CSAFE)		100,330	0.00
Commercial paper		541	1.36
Corporate bonds		31,553	1.19
Domestic equities		1,545	0.00
Domestic partnership		402	0.00
Federal agency bonds		20,755	2.36
Guaranteed investment contract		6,924	16.87
Money market mutual funds		5,675	0.00
Mortgages pooled		4,239	0.66
Municipal bonds		24,322	2.50
Mutual funds		13,393	0.00
Supra-national securities		3,303	0.78
US instrumentality securities		110,711	2.07
US treasury securities		231,956	3.28
Total		847,589	
Portfolio weighted average maturity			1.49
Reconciliation to total cash and investments			
Add:			
Cash on hand and in banks		90,443	
	$	938,032	

Note: Immaterial differences may occur due to rounding.

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As of December 31, 2021, the City had the following investment credit quality distribution:

Investment Type	Standard and Poor's (S&P) or Equivalent	% of Total
Commercial paper	AA+	0.07
Corporate bonds	AAA	0.97
Corporate bonds	AA	1.26
Corporate bonds	AA-	1.16
Corporate bonds	A+	0.33
Domestic equities	unrated	0.18
Domestic partnership	unrated	0.05
Federal agency bonds	AA+	2.45
Guaranteed investment contract	A+	0.82
Local investment pools	AAAm	46.28
Money market mutual funds	AAA	0.67
Mortgages pooled	AA+	0.50
Municipal bonds	AAA	0.78
Municipal bonds	AA+	1.26
Municipal bonds	AA	0.83
Mutual funds	unrated	1.58
Supra-national securities	AAA	0.39
US instrumentality securities	AAA	11.88
US instrumentality securities	AA+	1.18
US treasury securities	AAA	10.70
US treasury securities	AA+	16.39
US treasury securities	A-1+	0.27
		100.00

As of December 31, 2021, the City has invested $291,940,000 in the Colorado Government Liquid Asset Trust (COLOTRUST), an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. COLOTRUST operates similarly to a money market fund and each share is equal in value to $1.00. The value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool.

The City's investment in COLOTRUST is rated AAAm by S&P. COLOTRUST is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Separately issued financial statements may be obtained at the following address:

COLOTRUST
717 17th Street, Suite 1850
Denver, CO 80202
www.colotrust.com

As of December 31, 2021, the City has invested $100,330,000 in the Colorado Surplus Asset Trust Fund (CSAFE), an investment vehicle established for local government entities in Colorado pursuant to Part 7 of Article 75 of Title 24 of the Colorado Revised Statutes, to pool surplus funds for investment purposes. CSAFE operates similarly to a money market fund and each share is equal in value to $1.00. The value of the position in the pool is the same as the value of the pool shares. The designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities owned by the pool are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the pool.

The City's investment in CSAFE is rated AAAm by S&P. CSAFE is routinely monitored by the Colorado Division of Securities with regard to operations and investments. Separately issued financial statements may be obtained at the following address:

CSAFE
5975 S. Quebec Street, Suite 330
Centennial, CO 80111
www.csafe.org

In addition to the above, the City is a participant in FPPA's Glide Path pool through its Pension Trust Fund fiduciary component unit. FPPA pools these, and other, deposits and invests them in accordance with State of Colorado statute. As of December 31, 2021, the City had pooled investment funds with FPPA of $136,622,736.

The City reports as an increase or decrease in its pooled investment funds the City's share of unrealized gains, losses, income and expenses of the pool.

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3. Component Unit Deposits and Investments

Cash and investments of the component units of the City are reported at fair value and consist of the following at December 31, 2021 (in 000's):

	Demand Accounts	Money Market Mutual Funds	COLOTRUST	Alternative Investments	Total
Governmental Activities:					
Barnes & Powers North BID	$ 12	$ —	$ 36	$ —	$ 48
Barnes & Powers South BID	—	—	81	—	81
Briargate Center BID	1	757	379	—	1,137
Creekwalk Marketplace BID	9	—	7,207	—	7,216
CS Downtown Development Authority	56	—	1,711	—	1,767
CS Health Foundation	5,445	179,552	—	7,751	192,748
CS Urban Renewal Authority	766	—	23,753	—	24,519
First & Main BID	—	—	174	—	174
First & Main BID No. 2	23	—	2,342	—	2,365
First & Main North BID	6	—	17	—	23
Greater Downtown CS BID	34	—	422	—	456
Interquest North BID	15	—	3,462	—	3,477
Interquest South BID	385	—	442	—	827
Interquest Town Center BID	921	—	—	—	921
MW Retail BID	1	—	—	—	1
Park Union BID	72	—	2,306	—	2,378
Powers & Woodmen Commercial BID	9	—	798	—	807
	7,755	180,309	43,130	7,751	238,945
Business-type Activities:					
Fountain Valley Authority	5,504	—	—	—	5,504
Aurora-Colorado Springs Joint Water Authority	157	—	—	—	157
Various canal & reservoir companies	6,469	—	—	—	6,469
	12,130	—	—	—	12,130
Total	$ 19,885	$ 180,309	$ 43,130	$ 7,751	$ 251,075

Note: Immaterial differences may occur due to rounding.

Reconciliation of total deposits and investments to the government-wide financial statements at December 31, 2021 (in 000's):

	Governmental Activities	Business-type Activities	Total
Unrestricted	$ 195,842	$ 10,050	$ 205,892
Restricted	43,103	2,080	45,183
Total	$ 238,945	$ 12,130	$ 251,075

Note: Immaterial differences may occur due to rounding.

The carrying amount of the deposits of the component units of the City at December 31, 2021, was $19,884,000, and the bank balances were $20,290,000. Of the bank balances, $2,690,000 was covered by federal deposit insurance, and $6,937,000 was collateralized in accordance with provisions of the CPDPA. The Colorado Springs Health Foundation and the various canal companies are not public entities. Their excess balances above federal deposit insurance are not covered by the CPDPA. The various canal companies are publicly traded. At December 31, 2021, bank balances exceeded federally insured limits by approximately $10,663,000.

4. Fair Value Measurement

Governmental Accounting Standards Board Statement No. 72 (GASB 72) *Fair Value Measurement and Application* establishes a hierarchy of inputs to valuation techniques used to measure fair value and requires disclosures to be made about investment fair value measurements, the level of fair value hierarchy, and valuation techniques. According to GASB 72, an investment is defined as a security or other asset that (a) a government holds primarily for the purpose of income or profit and (b) has a present service capacity based solely on its ability to generate cash or to be sold to generate cash.

The City records assets and liabilities in accordance with GASB 72, which establishes general principles for measuring fair value, provides additional fair value application guidance and enhances disclosures about fair value measurements.

With the exception of COLOTRUST and CSAFE, which are discussed on the following page, the City's investments and derivative instruments are measured at fair value on a recurring basis. Fair value measurements are categorized based on the valuation inputs used to measure fair value of assets and liabilities as follows:

Level 1 - Quoted prices in active markets for identical securities.

Level 2 - Prices determined using other significant observable inputs. Observable inputs are inputs that reflect the assumptions market participants would use in pricing a security and are developed based on market data obtained from sources independent of the reporting entity. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk and others. Debt securities are valued in accordance with the evaluated bid price supplied by the pricing service and generally categorized as Level 2 in the hierarchy.

Level 3 - Prices determined using significant unobservable inputs. Unobservable inputs are inputs that reflect the reporting entity's own assumptions about the factors market participants would use in pricing the security and would be based on the best information available under the circumstances.

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The following table reflects the fair value of the City's investments and derivative instruments, exclusive of discretely presented component units, as of December 31, 2021 (in 000's):

		Fair Value Measurement Using		
Assets	Total	Level 1	Level 2	Level 3
Investments				
Colorado Liquid Asset Trust (COLOTRUST)	$ 291,940	(A)	(A)	(A)
Colorado Surplus Asset Trust Fund (CSAFE)	100,330	(A)	(A)	(A)
Commercial paper	541	$ —	$ 541	$ —
Corporate bonds	31,553	—	31,553	—
Domestic equities	1,545	1,545	—	—
Domestic partnership	402	—	—	402
Federal agency bonds	20,755		20,755	—
Guaranteed investment contract	6,924	—	6,924	—
Money market mutual funds	5,675	5,675	—	—
Mortgages pooled	4,239	—	4,239	—
Municipal bonds	24,322	—	24,322	—
Mutual funds	13,393	13,393	—	—
Supra-national securities	3,303	—	3,303	—
US instrumentality securities	110,711	—	110,711	—
US treasury securities	231,956	—	231,956	—
Total investments	$ 847,589	$ 20,613	$ 434,304	$ 402
Liabilities				
Derivative instruments	$ 93,035	$ —	$ 93,035	$ —
Total derivative instruments	$ 93,035	$ —	$ 93,035	$ —

Note: Immaterial differences may occur due to rounding.

(A) During the year, the City invested in COLOTRUST and CSAFE, local government investment pools. The valuation is measured at net asset value and is designed to approximate the share value. The pools' Boards of Trustees, elected by the participants, are responsible for overseeing the management of the investment pools, including establishing operating standards and policies. COLOTRUST and CSAFE are designed to provide local governments with a convenient method for investing in short-term investments carefully chosen to provide maximum safety and liquidity, while still maximizing interest earnings. There are no limitations or restrictions on withdrawals.

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The following table reflects the fair value of the investments for component units of the City as of December 31, 2021 (in 000's):

		Fair Value Measurement Using		
Governmental Activities Assets	Total	Level 1	Level 2	Level 3
Investments				
Alternative investments	$ 7,751	(A)	(A)	(A)
Colorado Liquid Asset Trust (COLOTRUST)	43,130	(B)	(B)	(B)
Money market mutual funds	180,309	$ 180,309	$ —	$ —
Total investments	$ 180,309	$ 180,309	$ —	$ —

Note: Immaterial differences may occur due to rounding.

(A) In accordance with GASB 72, component units of the City are not required to classify investments in certain entities that calculate net assets value per share (or its equivalent) in the fair value hierarchy above.

(B) During the year, the component units of the City invested in COLOTRUST, a local government investment pool. The valuation is measured at net asset value and is designed to approximate the share value. The pool's Board of Trustees, elected by the participants, is responsible for overseeing the management of COLOTRUST, including establishing operating standards and policies. COLOTRUST is designed to provide local governments with a convenient method for investing in short-term investments carefully chosen to provide maximum safety and liquidity, while still maximizing interest earnings. There are no limitations or restrictions on withdrawals.

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B. Receivables

Receivables for governmental funds, proprietary funds, and component units at December 31, 2021, include the following (in 000's):

	General Fund	Utilities	PACE	MHS	Non-Major & Other	Total
Interest	$ —	$ 142	$ —	$ —	$ —	$ 142
Taxes	51,922	—	—	—	31,858	83,780
Accounts	5,881	152,344	7,362	—	42,745	208,332
Leases	—	—	—	85,920	2,054	87,974
Assessments	—	—	—	—	2,889	2,889
Intergovernmental loans	—	—	—	—	29,570	29,570
Notes and loans	237	—	—	—	3,301	3,538
Gross receivables	58,040	152,486	7,362	85,920	112,417	416,225
Less: allowances for uncollectibles	(50)	(2,714)	—	—	(15,108)	(17,872)
Net receivables	$ 57,990	$ 149,772	$ 7,362	$ 85,920	$ 97,309	$ 398,353

Note: Immaterial differences may occur due to rounding.

Loans receivable of $14,476,562 are included in receivables - net of an allowance of $15,093,213 in the statement of net position/balance sheet as of December 31, 2021, for Community Development Division. These loans were funded with HOME (Federal Home Investment Partnership Act), CDBG (Community Development Block Grant), CHFA (Colorado Housing Finance Authority), and HOPE III (Homeownership Opportunity Program) funds.

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C. Interfund and Component Unit Receivables, Payables and Transfers

Individual fund interfund and component unit receivable and payable balances as of December 31, 2021, were:

Receivable Fund	Payable Fund	Amount
General Fund	Utilities	$ 3,657,457
	Non-major Governmental Funds	432,427
	Internal Service Funds	1,336,348
		5,426,232
Utilities	General Fund	933,923
	Non-major Governmental Funds	3,560,476
	Non-major Business-type Funds	132,667
	Internal Service Funds	2,571
	Component Unit	2,374
		4,632,011
Non-major Business-type Funds	General Fund	1,198,320
	Utilities	2,645,065
		3,843,385
Internal Service Funds	Utilities	74,683
		74,683
Component Unit	General Fund	6,754,576
	Utilities	12,449
		6,767,025
Total		$ 20,743,336

Note: Immaterial differences may occur due to rounding.

A major portion of the total due to Utilities from Non-major Governmental Funds resulted from a 2002 sale of a gas operations building between the funds.

The majority of the balance of $1,198,320 due to Non-major Business-type Funds from the General Fund resulted from construction of the parking facility for the General Fund's use; $1,111,484 of the balance is due beyond one year.

All remaining balances resulted from the time lag between the dates that 1) interfund goods and services are provided or reimbursable expenditures occur, 2) transactions are recorded in the accounting system and 3) payments between funds are made.

Individual fund transfers during the year were:

	Transfers In:				
Transfers out:	General Fund	Non-major Governmental Funds	Utilities	Non-major Enterprise Funds	Total Transfers Out
General Fund	$ —	$ 10,391,339	$ —	$ —	$ 10,391,339
Non-major Governmental Funds	—	—	—	321,127	321,127
Utilities	37,421,000	—	—	—	37,421,000
Non-major Enterprise Funds	—	—	52,000	—	52,000
Total transfers in	$ 37,421,000	$ 10,391,339	$ 52,000	$ 321,127	$ 48,185,466

Transfers were made in accordance with budgetary authorizations for the following purposes:

1) From General Fund into Non-major Governmental Funds: to move unrestricted revenues collected in the General Fund to finance various capital projects;
2) From Non-major Governmental Funds to Non-major Enterprise Funds: to move the annual allocated earnings into the Cemetery Enterprise Fund;
3) From Utilities to General Fund: to transfer Utilities surplus detailed in Note III.D. below plus some other minor cost sharing projects between the two funds;
4) From Non-major Enterprise Funds to Utilities: transfer of capital asset.

D. Transfer of Surplus

As allowed by City Charter, section 6-40(b), Utilities provides transfers of surplus to the City. These amounts are based on actual sales inside the City, and rates are fixed per kilowatt hour of electricity, per thousand cubic feet of natural gas, and per cubic feet of water. The money is transferred every month from Utilities to the General Fund of the City as they become available. Payments are recorded as transfers on the statement of revenues. In 2021, the amount transferred was $37.3 million.

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E. Unavailable/Unearned Revenue

Governmental funds report unavailable revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period (deferred inflows of resources). Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned (unearned revenue). At the end of 2021, the various components of unavailable revenue and unearned revenue reported in the governmental funds were as follows:

	Unavailable	Unearned
Loans	$ 14,476,562	$ —
Property taxes	30,013,382	—
Grant drawdowns prior to meeting all eligibility requirements	—	37,211,300
Other unearned revenue	—	5,982,962
Total unavailable/unearned revenue for governmental funds	$ 44,489,944	$ 43,194,262

F. Inventories

Inventories held for resale, exclusive of component units, are reported at the lower of cost or market. Inventories of supplies are reported at cost. General fund and proprietary fund inventories, including internal service funds, consist of the following at December 31, 2021:

	General Fund	Proprietary Funds	Total Inventory
Materials and supplies	$ —	$ 56,493,267	$ 56,493,267
Fuel	262,735	6,198,000	6,460,735
Total inventories	$ 262,735	$ 62,691,267	$ 62,954,002

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G. Changes in Capital Assets

The following schedule reflects the changes in capital assets, exclusive of discretely presented component units, for governmental activities for the year ended December 31, 2021 (in 000's):

	Beginning Balance	Increases*	Decreases*	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated:				
Land	$ 400,858	$ 20,959	$ —	$ 421,817
Construction in progress	43,392	37,606	(18,350)	62,648
Total capital assets not being depreciated	444,250	58,565	(18,350)	484,465
Capital assets being depreciated:				
Buildings	209,221	93	(141)	209,173
Improvements other than buildings	96,776	14,104	(279)	110,601
Machinery and equipment	194,263	13,634	(16,973)	190,924
Intangibles	20,709	—	(367)	20,342
Infrastructure	1,529,066	70,284	(17,785)	1,581,565
Total capital assets being depreciated	2,050,035	98,115	(35,545)	2,112,605
Less accumulated depreciation for:				
Buildings	(96,459)	(5,036)	68	(101,427)
Improvements other than buildings	(41,861)	(3,773)	135	(45,499)
Machinery and equipment	(133,663)	(15,342)	16,677	(132,328)
Intangibles	(11,027)	(525)	367	(11,185)
Infrastructure	(667,018)	(39,674)	12,972	(693,720)
Total accumulated depreciation	(950,028)	(64,350)	30,219	(984,159)
Total capital assets being depreciated, net	1,100,007	33,765	(5,326)	1,128,446
Governmental activities capital assets, net	$ 1,544,257	$ 92,330	$ (23,676)	$ 1,612,911

* Includes transfers between categories.

Note: Immaterial differences may occur due to rounding.

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The following schedule reflects the changes in capital assets, exclusive of discretely presented component units, for business-type activities for the year ended December 31, 2021 (in 000's):

	Beginning Balance	Increases*	Decreases*	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated:				
Land	$ 232,821	$ 399	$ —	$ 233,220
Intangibles	41,288	7,787	—	49,075
Construction in progress	234,899	327,492	(239,336)	323,055
Total capital assets not being depreciated	509,008	335,678	(239,336)	605,350
Capital assets being depreciated:				
Buildings	95,685	66,934	(11,631)	150,988
Improvements other than buildings	343,070	35,145	(17,298)	360,917
Machinery and equipment	43,137	4,626	(5,782)	41,981
Infrastructure	60,686	4,745	(12,262)	53,169
Utilities plant	6,160,993	279,365	(117,277)	6,323,081
Intangibles	82,918	148	—	83,066
Total capital assets being depreciated	6,786,489	390,963	(164,250)	7,013,202
Less accumulated depreciation for:				
Buildings	(58,340)	(3,092)	8,958	(52,474)
Improvements other than buildings	(158,065)	(13,800)	14,598	(157,267)
Machinery and equipment	(27,690)	(2,726)	4,730	(25,686)
Infrastructure	(18,194)	(1,921)	5,954	(14,161)
Utilities plant	(2,689,402)	(166,343)	15,619	(2,840,126)
Intangibles	(56,325)	(1,838)	—	(58,163)
Total accumulated depreciation	(3,008,016)	(189,720)	49,859	(3,147,877)
Total capital assets being depreciated, net	3,778,473	201,243	(114,391)	3,865,325
Business-type activities capital assets, net	$ 4,287,481	$ 536,921	$ (353,727)	$ 4,470,675

* Includes transfers between categories.

Note: Immaterial differences may occur due to rounding.

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Depreciation expense was charged to governmental activities and business-type activities as of December 31, 2021, as follows (in 000's):

Governmental Activities:	
General government	$ 4,795
Public safety	6,481
Public works	44,994
Parks	5,398
Planning	126
Internal service funds	41
Total depreciation expense governmental activities	61,835
Accumulated depreciation due to asset transfers from business-type activities	2,515
Total	$ 64,350
Business-type Activities:	
Utilities	$ 168,125
Non-major enterprise funds	21,390
Total depreciation expense business-type activities	189,515
Accumulated depreciation due to asset transfer between business-type activities	205
Total	$ 189,720

Note: Immaterial differences may occur due to rounding.

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The following schedule reflects the changes in discretely presented component unit capital assets for governmental activities for the year ended December 31, 2021 (in 000's):

	Beginning Balance	Increases*	Decreases*	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital assets not being depreciated:				
Land	$ 866	$ —	$ —	$ 866
Construction in progress	36,700	36,902	(41,779)	31,823
Total capital assets not being depreciated	37,566	36,902	(41,779)	32,689
Capital assets being depreciated:				
Buildings	1,805	—	—	1,805
Improvements other than buildings	10,152	295	—	10,447
Machinery and equipment	140	34	—	174
Infrastructure	47,308	24,796	—	72,104
Total capital assets being depreciated	59,405	25,125	—	84,530
Less accumulated depreciation for:				
Buildings	(55)	(45)	—	(100)
Improvements other than buildings	(2,415)	(416)	—	(2,831)
Machinery and equipment	(122)	(11)	—	(133)
Infrastructure	(11,738)	(1,980)	—	(13,718)
Total accumulated depreciation	(14,330)	(2,452)	—	(16,782)
Total capital assets being depreciated, net	45,075	22,673	—	67,748
Governmental activities capital assets, net	$ 82,641	$ 59,575	$ (41,779)	$ 100,437

* Includes transfers between categories.

Note: Immaterial differences may occur due to rounding.

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The following schedule reflects the changes in discretely presented component unit capital assets for business-type activities for the year ended December 31, 2021 (in 000's):

	Beginning Balance	Increases*	Decreases*	Ending Balance
BUSINESS-TYPE ACTIVITIES				
Capital assets not being depreciated:				
Land	$ 65	$ —	$ —	$ 65
Construction in progress	1,285	1,550	(1,610)	1,225
Total capital assets not being depreciated	1,350	1,550	(1,610)	1,290
Capital assets being depreciated:				
Machinery and equipment	35	—	—	35
Utilities plant	125,257	2,400	(3,587)	124,070
Total capital assets being depreciated	125,292	2,400	(3,587)	124,105
Less accumulated depreciation for:				
Machinery and equipment	(4)	(4)	—	(8)
Utilities plant	(58,955)	(1,582)	3,056	(57,481)
Total accumulated depreciation	(58,959)	(1,586)	3,056	(57,489)
Total capital assets being depreciated, net	66,333	814	(531)	66,616
Business-type activities capital assets, net	$ 67,683	$ 2,364	$ (2,141)	$ 67,906

* Includes transfers between categories.

Note: Immaterial differences may occur due to rounding.

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H. Leases

1. Operating Leases

Total rental expense on all operating leases, including month-to-month leases, for the year ended December 31, 2021, was $645,519 for governmental activities and $179,728 for business-type activities. The following schedule shows minimum rental payments for succeeding years for both governmental and business-type activities:

Year Ending December 31,	Governmental Activities	Business-type Activities
2022	$ 611,763	$ 110,706
2023	264,970	110,729
2024	168,223	—
2025	79,377	—
2026	67,787	—
Total	$ 1,192,120	$ 221,435

2. Operating Leases - Component Units

The City's component units for governmental activities had no operating lease rental expense for 2021. The Pikes Peak Regional Communications Network (PPRCN) was the only City business-type activity that had operating lease rental expense for 2021, which was $79,768. The following is a schedule of minimum rental payments for PPRCN for succeeding years:

Year Ending December 31,	Business-type Activities
2022	$ 75,142
2023	71,515
2024	54,643
2025	43,459
2026	12,449
Total	$ 257,208

3. Capital Leases

The City has entered into various capital lease commitments in order to acquire a building, machinery and equipment. The building, machinery and equipment so acquired are capitalized in the government-wide financial statements and in the business-type activities/proprietary fund financial statements. All related lease payments are subject to annual appropriation and made from the acquiring fund. Should the City not appropriate monies for these payments, the building, machinery or equipment would revert to the lessor.

Future minimum lease obligations consist of governmental activities and business-type activities. The following schedule shows these obligations, and their net present value as of December 31, 2021, exclusive of component units, (in 000's):

Year Ending December 31,	Governmental Activities	Business-type Activities
2022	$ 6,329	$ 100
2023	4,475	100
2024	3,031	99
2025	2,651	—
2026	1,803	—
2027-2031	902	—
Future minimum lease payments	19,191	299
Amount representing interest	(530)	(12)
Present value of net minimum payments	$ 18,661	$ 287

Note: Immaterial differences may occur due to rounding.

These capital leases represent agreements for certain capital assets, which have been included as assets as follows (in 000's):

	Governmental Activities	Business-type Activities
Building	$ 4,436	$ —
Machinery and equipment	30,153	478
Accumulated depreciation	(13,837)	(149)
Net capitalized lease property	$ 20,752	$ 329

Note: Immaterial differences may occur due to rounding.

Amortization of the leased property is included in depreciation expense.

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4. Capital Leases - Component Units

Fountain Valley Authority leases various plant assets under a capital lease agreement expiring December 31, 2025. As of December 31, 2021, future minimum payments under the Fountain Valley Authority capital lease consisted of the following (in 000's):

Year Ending December 31,	Business-type Activities
2022	$ 1,456
Future minimum lease payments	1,456
Amount representing interest	(53)
Present value of net minimum payments	$ 1,403

Note: Immaterial differences may occur due to rounding.

Property recorded under the capital lease for Fountain Valley Authority is as follows (in 000's):

	Business-type Activities
Utility plant	$ 74,537
Accumulated depreciation	(28,610)
Net capitalized lease property	$ 45,927

Note: Immaterial differences may occur due to rounding.

Amortization of the plant cost has been included in depreciation expense.

5. Lease and Integration Agreements

Memorial Health System

For many years, the City owned and operated Memorial Health System (MHS System), which consisted of hospitals and provided medical services, as an enterprise of the City (MHS). Effective October 1, 2012, the MHS System was leased to University of Colorado Health (UCH), under a Lease Agreement and related instruments approved by the electors of the City.

Under the Lease Agreement, the City leased the MHS System facilities and transferred its operations to the Lessee. The Lease Agreement and related instruments contained transition provisions regarding liabilities assumed by the Lessee and certain liabilities which were not assumed. The term of the Lease Agreement was initially 40 years, with the option in year nine, upon mutual agreement of the parties, to extend the term by additional one-year terms to be automatically added to the original term on each anniversary date of the effective date, commencing on the tenth anniversary of the effective date. The Lease Agreement is subject to certain early termination provisions.

In addition to a lump sum payment made at Lease inception, the Lease Agreement also provides for various payments to MHS over the term of the Lease Agreement, including fixed

payments of $467,676 per month for 30 years. MHS recorded the present value of the future lease payments as a lease receivable using an imputed discount interest rate of approximately 3%.

As of December 31, 2021, future minimum payments under the capital lease consisted of the following (in 000's):

Year	Amount
2022	$ 5,612
2023	5,612
2024	5,612
2025	5,612
2026	5,612
2027-2031	28,061
2032-2036	28,061
2037-2041	28,061
2042	4,209
Future minimum lease payments	116,452
Amount representing discount interest	(30,531)
Present value of net minimum payments	$ 85,921

Note: Immaterial differences may occur due to rounding.

The Lessee is also required to make Margin Sharing Payments to MHS throughout the 40-year term of the Lease Agreement equal to 5% of the excess in any fiscal year of Operating EBITDA (as defined in the lease) over a baseline annual margin of 8%. While no amounts have been recorded in the accompanying financial statements relating to future contingent Margin Sharing Payments, since 2015, MHS has received and recognized $7.5 million. The Lessee is also obligated to spend an annual average of $28 million for capital improvements during the term of the Lease Agreement and UCH is obligated under the Lease related instruments to provide $3 million annually for 40 years to fund the development of a branch of the University of Colorado, School of Medicine in Colorado Springs. To the best of the City's knowledge, the Lessee has been in compliance with these capital investment requirements.

Concurrent with the lease of facilities and transfer of operations under the Lease Agreement, MHS derecognized MHS System assets and the UCH assumed liabilities relating to the MHS System operations and all leased property and equipment. Certain assets and liabilities were specifically excluded from the Lease Agreement and remain as assets and liabilities of MHS.

UCH and certain related entities have agreed that they generally will not individually or collectively provide any service within the city limits of Colorado Springs that competes with the services or operations of the MHS System hospitals as they existed as of October 1, 2012, for a period of two years beyond the expiration of the term of the Lease Agreement. The City has agreed that it generally will not provide any service within the city limits of Colorado Springs that competes with the services or operations of the MHS System hospitals being operated by the Lessee throughout the term of the Lease Agreement.

The parties to the Lease Agreement may terminate the Lease Agreement at any time by mutual written agreement. The Lease Agreement may be terminated by either party in the event of certain default provisions, as defined. Upon the expiration or termination of the Lease Agreement, the Lessee must convey to the City the facilities and expansions to the facilities of the MHS System hospitals. The Lessee must also transfer all assets and assign all claims and liabilities relating to the MHS System hospitals' operations at the time of the expiration or termination. As a condition to the transfer of the assets and liabilities upon expiration or termination, the City must pay the Lessee an amount representing the fair market value of the MHS System hospitals' operating businesses as of such date, as is more thoroughly defined in the Lease Agreement.

Colorado Springs Health Foundation - In connection with the Lease Agreement and contemplated transaction, Colorado Springs Health Foundation (CSHF) was established in 2012 pursuant to the provisions of City Council Resolution No. 121-12. As further provided in that resolution, and subject to any obligation payable by CSHF under a Guaranty and Indemnification Agreement (the "Guaranty") executed by CSHF, CSHF receives distributions of funds related to the lease transaction for the purpose of addressing community health issues in the MHS System service area. In accordance with the Lease and the Guaranty, in order to fulfill certain indemnification against claims and other obligations that the City or MHS has to UCH, CSHF held $50 million in a "segregated account" through October 1, 2015. After that date, CSHF was required to hold $25 million in the "segregated account" through October 1, 2017. Such claims and obligations are subject to a dispute resolution process. As of December 31, 2017, funds are no longer required to be segregated and no material claims or obligations exist.

In November 2015, City Council approved Resolution No. 109-15, approving a Funds Management Agreement between the City and CSHF. The Funds Management Agreement provides greater clarity with respect to how lease proceeds will be transferred to CSHF and the manner in which CSHF will invest funds.

Third Party Payer Settlements - Pursuant to the Lease Agreement, the recorded amounts of Medicare and Medicaid cost report liabilities, liabilities under the Medicare Recovery Audit Contractor Program and other accrued commercial payer liabilities were assumed by the Lessee.

However, the differences between the actual settlements under third-party payer agreements and the estimated settlements included in the working capital calculations discussed above will result in net payments to or from the Health System. Laws and regulations that govern these payer systems, including Medicare and Medicaid, are extremely complex. As a result, the actual settlements could be materially different from the estimated settlement amounts used in the working capital calculations. As of December 31, 2015, the Lessee identified approximately $5.3 million due to the City as a result of third-party payer settlements to date, as well as other reconciliations. During 2016, City Council approved Ordinance 16-37, approving the transfer of these funds, less audit fees, to CSHF. During 2017, the Lessee transferred $2.6 million to the City. City Council approved Ordinance 17-43, approving the transfer of these funds, less audit fees, to CSHF. During 2021, the Lessee transferred $3.9 million to the City. City Council approved Ordinance 21-15, approving the transfer of these funds, less audit fees, to CSHF.

Recording of Contingent Liabilities - The ultimate amounts owed by MHS relating to the above contingencies are not reasonably determinable. MHS has recorded a liability which encompasses all contingent liabilities and a promise to transfer to CSHF all net proceeds, after expenses, of the lease transaction.

Airport

The Airport leases facilities, infrastructure, and land to various parties, including but not limited to airlines, concessionaires, and others. Substantially all leases are operating leases for land, buildings, and terminal space. The leases contain provisions for cancellation by either party if certain conditions are met. The current rental car agreement between the Airport and the on-site rental car companies expires June 30, 2028. The following is a schedule, by year, of minimum future rental revenue of the operating leases as of December 31, 2021 (in 000's):

Year		Amount
2022	$	10,234
2023		10,611
2024		10,138
2025		5,906
2026		5,859
2027-2031		18,641
2032-2036		14,582
2037-2041		15,201
2042-2046		15,686
2047-2051		16,330
2052-2056		15,651
2057-2061		13,675
2062-2066		14,689
2067-2071		15,756
2072-2076		16,608
2077-2081		18,201
2082-2086		12,506
2087-2091		12,385
2092-2096		12,631
Total	$	255,290

Note: Immaterial differences may occur due to rounding.

Minimum future rental revenue does not include contingent rentals, which may be received under certain leases on the basis of revenue, fuel flow, or number of uses. Contingent rental revenue amounted to $6,592,913 for the year ended December 31, 2021.

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I. Revolving Loan Agreement/Letter of Credit

On September 4, 2019, Utilities amended the Revolving Loan Agreement (Credit Line) with U.S. Bank National Association dated as of September 8, 2016. On June 1, 2020, Utilities executed a second amendment increasing the available Credit Line from $60.0 million to $75.0 million, and as of December 31, 2020, Utilities may receive advances up to $75.0 million under the Credit Line to fund Utilities' operating needs and normal expenditures including, without limitation, regularly scheduled capital expenses. Utilities' repayment obligation under the Credit Line is limited to the net pledged revenues on a subordinate basis to the parity bonds and certain related obligations. The 2020 Credit Line expires on September 9, 2022. Utilities has entered into agreements similar to this Credit Line over the past several years and to date, Utilities has not drawn on any such agreement.

On November 24, 2015, City Council approved Ordinance 15-83 authorizing the issuance of up to $150.0 million in commercial paper notes (Series A Notes and Series B Notes collectively the Notes). The maximum principal amount of the commercial paper notes which may be outstanding at any time is limited to $75.0 million for each series. In October 2018, Utilities terminated the Irrevocable Transferable Direct-Pay Letters of Credit for the Notes and suspended the commercial paper program. Market conditions will determine if and when the City (on behalf of Utilities) will deliver more commercial paper notes.

J. Long-term Debt

The City has outstanding long-term debt in the form of several instruments. General Obligation bonds are direct obligations that pledge the full faith and credit of the City for the repayment of principal and interest. Certificates of participation and lease/lease purchase agreements are issued for particular projects and are repaid from lease payments made by the City for use of the acquired property. Special assessment bonds and notes are used to finance projects, which benefit particular properties and are repaid solely from charges levied upon the benefiting properties. While principal and interest payments are intended to be paid solely from revenues derived from assessments levied upon the benefiting property, the City may choose to commit resources should the need arise. Proprietary fund principal and interest payments on revenue bonds and notes payable are pledged solely from revenues of the proprietary fund operation.

There were no known violations of the terms or provisions of the various contracts and agreements relating to long-term debt during this reporting period.

During 2021, Utilities issued $38,715,000 of Utilities System Refunding Revenue Bonds, Series 2021A and $185,030,000 of Utilities System Refunding Revenue bonds, Series 2021B. The Series 2021A bonds were used to refund all of the City's outstanding Utilities System Refunding Revenue Bonds, Series 2011A. Series 2021B bonds were issued as new money bonds to finance a portion of the costs of a number of general capital improvements to the Utility System. The Series 2021A bonds with a final maturity date of 2033, bear an interest rate of 5.00%. The Series 2021B bonds bear interest rates ranging from 4.00% to 5.00% and have a 2051 final maturity date. The reacquisition price of the refunded bonds exceeded the net carrying amount of the old debt by $20,731,063 for Series 2021A. This amount is deferred and amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter. As a result, the debt service payments were reduced by a total of $14,877,756 resulting in a net present value savings of $10,257,065.

During 2021, Airport entered into a direct borrowing note payable with the Colorado Department of Transportation (CDOT) for $8,000,000 to fund infrastructure construction of the Peak Innovation Business Park. The note reaches final maturity in 2031 and bears a 2.00% interest rate. In the

event of non-appropriation by the City to fund future note payments, CDOT can transfer jet fuel sales and use tax revenue otherwise payable to the City to be paid to CDOT in an amount sufficient to make any payment due. In the event of default, CDOT has the right to terminate the contract. If terminated, the Airport must return any funds that have been disbursed and any accrued interest within forty-five days of the date of termination.

During 2021, Creekwalk Marketplace Business Improvement District issued $11,040,000 in Series 2021A Limited Tax Supported and Special Revenue Senior Bonds and $2,500,000 in Series 2021B Subordinate Bonds. The proceeds from the sale of the bonds will be used to finance certain public improvements, a reserve fund, capitalized interest, and pay the costs of issuance. The 2021A Bonds are term bonds having final maturities of $740,000 in 2029, $4,135,000 in 2039 and $6,165,000 in 2049 and bearing interest rates of 5.00%, 5.50% and 5.75%, respectively. The Series 2021B Bonds are a term bond with a final maturity of 2049 with an interest rate of 8.00%.

During 2020, Interquest North Business Improvement District issued $13,735,000 in Limited Tax General Obligation Bonds, Series 2020 to fund construction of public improvements. The District made its first draw in 2020 and is scheduled to make draws annually through 2023. The bonds mature in 2049 and bear 7.00% interest paid annually.

Sales Tax Increment Financings - During 2019, the City approved a resolution authorizing CSURA to use 87.5% of the annual City General Fund sales tax increments generated within the True North Commons Urban Renewal Project Plan area. The dedication of these sales tax increments shall be for a period not to exceed 25 years.

During 2018, the City approved a resolution authorizing CSURA to use 87.5% of the annual City General Fund sales tax increments generated within the Museum and Park Urban Renewal Project Plan area. The dedication of these sales tax increments shall be for a period not to exceed 25 years.

During 2018, the City approved a resolution authorizing CSURA to use 87.5% of the annual City General Fund sales tax increments generated within the Tejon and Costilla Urban Renewal Project Plan area. The dedication of these sales tax increments shall be for a period not to exceed 25 years.

During 2015, the City approved a resolution authorizing CSURA to use 87.5% of the annual City General Fund sales tax increments generated within the Gold Hill Mesa Commercial Urban Renewal Plan area for the first 5 years and 75% for the remaining 20 years. The dedication of these sales tax increments shall be for a period not to exceed 25 years.

During 2015, the City approved a resolution authorizing CSURA to use 87.5% of the annual City General Fund sales tax increments generated within the South Nevada Area Urban Renewal Project Urban Renewal Plan area for the first 5 years and 75% for the remaining 20 years. In 2021, the rate schedule was updated. Effective December 2021, CSURA is authorized to use 100% of the annual City General Fund sales tax increment. The dedication of these sales tax increments shall be for a period not to exceed 25 years from the original agreement.

During 2013, the City approved a resolution authorizing CSURA to use 50% of the annual City General Fund sales tax increments generated within the Copper Ridge Metropolitan District area. During 2019, the dedication of these sales tax increments was amended to extend the 25 year duration period through 2044 in addition to increasing the sales tax increment to 87.5%.

During 2012, the City approved a resolution authorizing CSURA to use 100% of the annual City General Fund sales tax increments generated within the Ivywild Urban Renewal area. The dedication of these sales tax increments shall be for a period from January 24, 2012 through June 28, 2036.

During 2007, the City approved a resolution authorizing CSURA to use 100% of the annual City General Fund sales tax increments generated within the North Nevada Avenue corridor Urban Renewal area. The dedication of these sales tax increments shall be for a period not to exceed 23 years and not to exceed $98,800,000. The increment will be utilized to support a bond issue that will fund needed infrastructure improvements and administrative expenses within the renewal area.

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1. Summary of Long-term Debt

Debt Types	Original Issue Amount (in 000's)	Outstanding Principal Amount (in 000's)	Future Aggregate Interest Requirements (in 000's)	Interest Rate of Debt Outstanding (%)	Maturity Dates of Serial Debt
Governmental Activities[1]					
Certificates of Participation					
Refunding COP Series 2017	$ 29,930	$ 27,760	$ 11,341	3.000 - 5.250	2018 - 2039
COP Series 2019	9,000	8,465	3,750	4.000 - 5.000	2020 - 2039
	38,930	36,225	15,091		
General Obligation Bonds - direct placement					
Briargate GID Series 2014	8,960	1,725	110	2.960	2015 - 2025
Marketplace at Austin Bluffs GID Series 2008	2,790	1,800	818	6.500	2010 - 2033
	11,750	3,525	928		
Lease/Lease Purchase - direct borrowing and direct placement					
Lease Purchase Series 2016 - Direct Placement	13,690	7,135	351	1.620	2017 - 2026
Capital Leases	36,999	18,662	530	0.000 - 4.460	2007 - 2027
	50,689	25,797	881		
Total Governmental Activities	$ 101,369	$ 65,547	$ 16,900		

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Debt Types	Original Issue Amount (in 000's)	Outstanding Principal Amount (in 000's)	Future Aggregate Interest Requirements (in 000's)	Interest Rate of Debt Outstanding (%)	Maturity Dates of Serial Debt
Business-type Activities[2]					
Revenue Bonds					
Utilities Revenue Bonds					
Series 2005A	$ 100,000	$ 70,570	$ 27,508	resets weekly	2010 - 2035
Series 2006B	75,000	56,575	20,879	resets weekly	2011 - 2036
Series 2007A	75,000	53,010	15,671	resets weekly	2008 - 2037
Series 2008A	50,000	36,090	15,512	resets weekly	2009 - 2038
Series 2009B-2	64,450	59,785	34,379	4.949 - 5.545	2010 - 2039
Series 2009C	66,455	55,875	20,037	resets weekly	2010 - 2028
Series 2009D-2	56,750	51,125	53,889	4.164 - 6.313	2016 - 2049
Series 2010C	50,000	38,055	16,511	resets weekly	2011 - 2040
Series 2010D-4	107,260	107,260	112,946	1.324 - 6.615	2011 - 2040
Series 2012A	50,000	39,405	18,737	resets weekly	2012 - 2041
Series 2012B	108,015	79,285	29,496	3.000 - 5.000	2013 - 2043
Series 2012C	157,670	72,625	35,256	3.000 - 5.000	2013 - 2042
Series 2013A	97,580	88,510	40,757	1.500 - 5.000	2014 - 2045
Series 2013B-1	58,915	49,750	33,463	1.500 - 5.000	2014 - 2043
Series 2013B-2	68,645	58,340	39,467	2.000 - 5.000	2014 - 2043
Series 2014A-1	58,515	55,405	35,971	4.000 - 5.000	2019 - 2044
Series 2014A-2	53,995	51,190	33,105	4.000 - 5.000	2019 - 2044
Series 2015A	82,975	71,635	33,752	3.000 - 5.000	2018 - 2048
Series 2017A-1	89,750	81,925	30,532	3.000 - 5.000	2018 - 2042
Series 2017A-2	84,340	78,865	64,223	2.500 - 5.000	2018 - 2047
Series 2017A-3	66,090	35,605	1,937	5.000	2018 - 2023
Series 2018A-1	125,645	124,345	21,201	3.000 - 5.000	2018 - 2026
Series 2018A-2	39,500	37,370	30,881	3.000 - 5.000	2019 - 2048
Series 2018A-3	4,810	3,905	1,228	5.000	2019 - 2033
Series 2018A-4	56,860	53,900	44,657	4.000 - 5.000	2019 - 2048
Series 2019A	84,090	84,090	33,036	5.000	2027 - 2029
Series 2020A	200,720	187,040	113,725	4.000 - 5.000	2020 - 2050
Series 2020B	50,980	44,340	9,121	5.000	2020 - 2028
Series 2020C	85,440	84,545	62,283	5.000	2020 - 2050
Series 2021A	38,715	32,985	10,320	5.000	2021 - 2033
Series 2021B	185,030	185,030	150,028	4.000 - 5.000	2021 - 2051
PACE Revenue Bonds Series 2008	653,210	551,500	385,688	5.750 - 6.500	2009 - 2038
PPAM Revenue Bonds Series 2018	30,050	28,645	23,945	3.750 - 5.250	2019 - 2048
	3,176,455	2,708,580	1,600,141		
Bonds and notes payable from direct borrowings and direct placements					
Parking System Revenue Bonds Series 2015 - direct placement	9,520	4,590	386	2.430	2015 - 2027
Airport, 2016	3,431	1,821	138	2.500	2017 - 2026
Airport, 2020	7,500	6,853	1,161	3.250	2021 - 2030
Airport, 2021	8,000	8,000	906	2.000	2022 - 2031
Drinking Water - Utilities, 2009	8,600	4,400	541	2.500	2011 - 2030
	27,531	21,074	2,746		
Capital Leases	478	286	12	2.080	2020 - 2024
Total Business-type Activities	$ 3,213,984	$ 2,734,530	$ 1,603,285		

(continued)

Debt Types	Original Issue Amount (in 000's)	Outstanding Principal Amount (in 000's)	Future Aggregate Interest Requirements (in 000's)	Interest Rate of Debt Outstanding (%)	Maturity Dates of Serial Debt
Component Units[2]					
Governmental Activities					
Limited Tax General Obligation Bonds					
Barnes & Powers North BID Series 2007	$ 4,000	$ 3,015	$ 1,795	6.500	2009 - 2036
Barnes & Powers South BID Series 2007	835	330	67	6.500	2009 - 2026
First & Main BID Series 2009	1,650	1,325	1,227	8.500	2009 - 2038
First & Main North BID Series 2005	1,927	1,362	678	6.000	2005 - 2035
First & Main No. 2 BID Series 2009	2,400	2,000	1,858	8.500	2011 - 2038
First & Main No. 2 BID Series 2015	1,750	1,585	1,580	6.750	2015 - 2044
Interquest North BID Series 2010	6,500	5,614	5,689	8.500	2012 - 2040
Interquest North BID Series 2016	4,765	4,600	5,664	8.500	2017 - 2045
Interquest North BID - Series 2020	13,735	7,875	12,083	7.000	2020 - 2049
Interquest Town Center - Series 2020	2,860	2,860	3,956	7.000	2020 - 2049
Powers & Woodmen Commercial BID Series 2010	1,850	1,570	1,547	8.500	2011 - 2039
	42,272	32,136	36,144		
Special Assessment Revenue Bonds					
Briargate Center BID Series 2006	7,360	2,740	498	4.500 - 4.900	2006 - 2007
Urban Renewal Authority Series 2018A	7,325	7,215	6,284	5.750	2021 - 2047
Urban Renewal Authority Series 2018B[3]	1,156	1,086	—	8.125	N/A
	15,841	11,041	6,782		
Revenue Bonds					
First & Main No. 2 BID Series 2011	2,000	1,560	1,165	8.500	2011 - 2035
First & Main No. 2 BID Series 2015	1,725	1,535	1,164	6.750	2017 - 2039
Interquest South BID Series 2017	4,000	3,895	3,310	4.500 - 5.000	2018 - 2047
Park Union BID Series 2020A[3]	26,500	26,500	—	8.000	2020 - 2049
Creekwalk Marketplace Series 2019A	24,230	24,230	25,065	5.000 - 8.000	2020 - 2049
Creekwalk Marketplace Series 2019B3	2,500	2,500	—	8.000	2049
Creekwalk Marketplace Series 2021A	11,040	11,040	12,178	5.000 - 5.750	2021 - 2049
Creekwalk Marketplace Series 2021B[3]	2,500	2,500	—	8.000	2021 - 2049
	74,495	73,760	42,882		
Bonds and notes payable from direct borrowings and direct placements					
Barnes & Powers North BID[3]	322	125	—	7.000	N/A
Briargate Center BID 2018	3,380	2,566	530	4.770	2019 - 2028
Briargate Center BID 2019[3]	6,196	5,816	—	—	N/A
Colorado Springs Downtown Development[3]	1,350	1,350	—	—	N/A
Creekwalk Marketplace[3]	3,083	3,083	—	7.000	N/A
First & Main North BID[3]	366	141	—	7.000	N/A
First & Main No. 2 BID[3]	11,183	10,526	—	7.000	N/A
Interquest South BID[3]	2,405	654	—	7.000	N/A
Interquest Town Center BID[3]	104	104	—	8.000	N/A
MW Retail BID[3]	32	32	—	8.000	N/A
Park Union BID[3]	828	819	—	7.000	N/A
Powers & Woodmen Commercial BID[3]	2,034	1,967	—	7.000	N/A
Urban Renewal Authority, 2012[3]	778	415	—	7.000	2013 - 2028
Urban Renewal Authority Series 2017	39,000	37,400	6,761	3.330	2018 - 2027
Urban Renewal Authority Series 2019	12,400	11,272	2,668	3.330	2020 - 2031
Urban Renewal Authority, Series 2020 Refunding	52,575	47,489	6,242	2.050	2021 - 2047
Urban Renewal Authority, Series 2020 Revenue	5,701	5,230	1,568	3.250	2021 - 2047
	141,737	128,989	17,769		
Total Governmental Activities	$ 274,345	$ 245,926	$ 103,577		
Business-type Activities					
Fountain Valley Authority	$ 10,830	$ 555	$ 38	3.030 - 4.400	2001 - 2024
The Lake Meredith Reservoir Company, 2003	1,472	807	233	4.000	2005 - 2034
	12,302	1,362	271		
Capital Leases	64,803	1,403	53	3.046	1986 - 2025
Total Business-type Activities	$ 77,105	$ 2,765	$ 324		
Total Component Units	$ 351,450	$ 248,691	$ 103,901		

[1]Exclusive of municipal solid waste landfill and compensated absences

[2]Exclusive of other liabilities

[3]These items have no repayment schedule

Note: Immaterial differences may occur due to rounding.

2. Changes in Long-term Liabilities

The City has issued and has outstanding long-term debt in various instruments. The following is a summary of transactions of the long-term liabilities, exclusive of discretely presented component units, for year ended December 31, 2021 (in 000's):

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
GOVERNMENTAL ACTIVITIES					
Certificates of participation	$ 37,145	$ —	$ 920	$ 36,225	$ 1,010
Add issuance premium	3,227	—	171	3,056	—
	40,372	—	1,091	39,281	1,010
Bonds and notes payable from direct borrowings and direct placements					
General obligation bonds	5,130	—	1,605	3,525	625
Lease/lease purchase	8,495	—	1,360	7,135	1,380
Capital leases	21,004	4,155	6,497	18,662	6,081
	34,629	4,155	9,462	29,322	8,086
Other liabilities					
Municipal solid waste landfill	346	4	—	350	—
Compensated absences	20,190	24,799	23,254	21,735	1,087
Net pension liability	237,781	—	57,468	180,313	—
Net OPEB liability	39,778	—	9,710	30,068	—
Developer reimbursements	2,979	—	310	2,669	—
	301,074	24,803	90,742	235,135	1,087
Total governmental activities	$ 376,075	$ 28,958	$ 101,295	$ 303,738	$ 10,183
BUSINESS-TYPE ACTIVITIES					
Revenue bonds	$ 2,637,579	$ 223,745	$ 152,744	$ 2,708,580	$ 118,070
Add issuance premiums/(discounts)	218,678	54,639	27,213	246,104	—
	2,856,257	278,384	179,957	2,954,684	118,070
Bonds and notes payable from direct borrowings and direct placements					
Revenue bonds	5,325	—	735	4,590	750
Notes payable	14,490	8,000	1,416	21,074	2,187
Capital leases	378	—	92	286	94
	20,193	8,000	2,243	25,950	3,031
Other liabilities					
Municipal solid waste landfill	5,085	436	—	5,521	—
Compensated absences	20,687	21,640	22,404	19,923	12,443
Customer deposits	3,695	1,936	1,276	4,355	—
Customer advances for construction	19,057	40,213	35,790	23,480	—
Net pension liability	187,205	87,685	142,054	132,836	—
Net OPEB liability	44,229	2,804	10,326	36,707	—
Derivative instruments	121,371	—	28,336	93,035	—
Other	11,340	1,686	8	13,018	—
	412,669	156,400	240,194	328,875	12,443
Total business-type activities	$ 3,289,119	$ 442,784	$ 422,394	$ 3,309,509	$ 133,544

Note: Immaterial differences may occur due to rounding.

Internal service funds predominantly serve the governmental funds. Accordingly, long-term liabilities for those funds are included in the governmental activities totals. Also, municipal solid waste landfill, compensated absences, net pension liability, net OPEB liability, and developer reimbursements for governmental activities are generally liquidated by the General Fund.

Component Units

The following is a summary of long-term debt transactions for component units of the City for the year ended December 31, 2021 (in 000's):

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due within One Year
GOVERNMENTAL ACTIVITIES					
Limited tax general obligation bonds	$ 26,344	$ 6,340	$ 548	$ 32,136	$ 591
Special assessment revenue bonds	11,616	—	575	11,041	460
Revenue bonds	60,375	13,540	155	73,760	160
Other	10,480	1,085	90	11,475	—
	108,815	20,965	1,368	128,412	1,211
Bonds and notes payable from direct borrowings and direct placements					
Revenue bonds	49,938	—	1,266	48,672	1,454
Notes payable	80,947	17,546	18,176	80,317	5,035
	130,885	17,546	19,442	128,989	6,489
Total governmental activities	$ 239,700	$ 38,511	$ 20,810	$ 257,401	$ 7,700
BUSINESS-TYPE ACTIVITIES					
Notes payable	1,580	—	218	1,362	227
Capital leases	7,320	—	5,917	1,403	1,403
Total business-type activities	$ 8,900	$ —	$ 6,135	$ 2,765	$ 1,630

Note: Immaterial differences may occur due to rounding.

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3. Annual Debt Service Requirements of Long-term Debt

The following is a summary of general obligation bond scheduled maturities as of December 31, 2021 (in 000's):

	Governmental Activities		Governmental Activities Component Units	
	Direct Placement			
Year	Principal	Interest	Principal	Interest
2022	$ 625	$ 168	$ 591	$ 2,350
2023	645	146	630	2,306
2024	690	123	749	2,260
2025	245	98	825	2,204
2026	140	86	890	2,144
2027-2031	855	280	5,130	9,681
2032-2036	325	27	7,256	7,432
2037-2041	—	—	6,226	4,695
2042-2046	—	—	6,133	2,541
2047-2049	—	—	3,706	531
Total	$ 3,525	$ 928	$ 32,136	$ 36,144

Note: Immaterial differences may occur due to rounding.

The City has outstanding direct placement general obligation bonds totaling $3,525,000.

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The following is a summary of revenue bond scheduled maturities as of December 31, 2021 (in 000's):

	Governmental Activities Component Units		Business-type Activities	
Year	Principal	Interest	Principal	Interest
2022	$ 160	$ 2,371	$ 118,070	$ 139,083
2023	420	2,385	122,305	132,534
2024	490	2,361	124,205	126,329
2025	540	2,333	128,075	120,014
2026	760	2,303	128,540	113,469
2027-2031	5,235	10,787	686,660	462,163
2032-2036	8,200	8,938	611,960	297,601
2037-2041	9,870	6,298	440,155	137,596
2042-2046	7,740	3,908	218,700	57,235
2047-2049	8,845	1,198	129,910	14,116
Total	$ 42,260	$ 42,882	$ 2,708,580	$ 1,600,140

Note: Immaterial differences may occur due to rounding.

The governmental activities component units have additional revenue bonds in the amount of $31,500,000. This amount is to be repaid exclusively from specified revenues, and therefore has no predetermined payback period. As such, this amount is not listed in the above schedule.

The following is a summary of direct placement revenue bond scheduled maturities as of December 31, 2021 (in 000's)

	Governmental Activities Component Units		Business-type Activities	
	Direct Placement		Direct Placement	
Year	Principal	Interest	Principal	Interest
2022	$ 1,454	$ 1,617	$ 750	$ 112
2023	1,939	1,569	770	93
2024	2,232	1,505	790	75
2025	2,628	1,431	810	55
2026	3,030	1,343	830	36
2027-2031	37,389	1,964	640	16
Total	$ 48,672	$ 9,429	$ 4,590	$ 387

Note: Immaterial differences may occur due to rounding.

CSURA has outstanding direct placement revenue bonds totaling $48,672,000. If any principal or interest is not paid when due, interest on the unpaid amount shall become payable at up to 7.00% per annum or the same interest rate at which the bonds were issued, depending on which bond is in default. Parking has outstanding direct placement revenue bonds of $4,590,000. In the event of default, a rate increase to 12.00% per annum would be applied to all remaining payment obligations.

The following is a summary of certificates of participation scheduled maturities as of December 31, 2021 (in 000's):

	Governmental Activities	
Year	Principal	Interest
2022	$ 1,010	$ 1,468
2023	1,105	1,417
2024	1,205	1,362
2025	1,315	1,302
2026	1,435	1,236
2027-2031	9,140	4,973
2032-2036	12,455	2,742
2037-2039	8,560	591
Total	$ 36,225	$ 15,091

Note: Immaterial differences may occur due to rounding.

The following is a summary of capital leases and lease/lease purchase scheduled maturities as of December 31, 2021 (in 000's):

	Governmental Activities		Business-type Activities		Business-type Activities Component Units	
	Direct Borrowing		Direct Borrowing		Direct Borrowing	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 7,461	$ 364	$ 94	$ 6	$ 1,403	$ 53
2023	5,743	230	96	4	—	—
2024	4,387	140	96	2	—	—
2025	4,059	89	—	—	—	—
2026	3,255	47	—	—	—	—
2027	892	11	—	—	—	—
Total	$ 25,797	$ 881	$ 286	$ 12	$ 1,403	$ 53

Note: Immaterial differences may occur due to rounding.

The City has capital leases with outstanding balances totaling $18,662,000 for governmental activities and $286,000 for business-type activities. Capital leases are discussed further in Note III.H.3.

The City also has a lease purchase in governmental activities with an outstanding balance of $7,135,000. The lease would terminate with failure of the City to appropriate funds for payment and the City's right to possession of leased property would also terminate. The lease is collateralized by the Colorado Springs Police Department Sandcreek Substation.

Fountain Valley Authority has an outstanding capital lease principal balance of $1,403,000.

The following is a summary of special assessment bond scheduled maturities as of December 31, 2021 (in 000's):

	Governmental Activities Component Units	
Year	Principal	Interest
2022	$ 460	$ 549
2023	575	526
2024	615	496
2025	640	465
2026	680	432
2027-2031	1,675	1,761
2032-2036	1,700	1,346
2037-2041	1,990	780
2042-2046	790	381
2047	830	46
Total	$ 9,955	$ 6,782

Note: Immaterial differences may occur due to rounding.

CSURA issued special assessment bonds in 2018. The bond is to be repaid exclusively from specified revenues, and therefore have no predetermined payback period. As such, the bond is not listed in the above schedule. As of December 31, 2021, the outstanding principal balance is $1,086,000.

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The following is a summary of notes payable scheduled maturities as of December 31, 2021 (in 000's):

	Governmental Activities Component Units		Business-type Activities		Business-type Activities Component Units	
	Direct Borrowings		Direct Borrowings		Direct Borrowings	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2022	$ 5,035	$ 1,284	$ 2,187	$ 535	$ 227	$ 58
2023	3,885	1,197	2,243	479	240	43
2024	4,092	1,108	2,300	422	253	29
2025	4,261	1,008	2,359	362	59	26
2026	4,423	907	2,420	302	61	24
2027-2031	32,766	2,627	9,565	646	346	79
2032-2036	2,173	210	—	—	176	12
Total	$ 56,635	$ 8,341	$ 21,074	$ 2,746	$ 1,362	$ 271

Note: Immaterial differences may occur due to rounding.

The governmental activities component units have additional combined notes payable and other long-term liabilities in the amount of $23,682,000. These amounts are to be repaid exclusively from specified revenues, and therefore have no predetermined payback period. As such, these amounts are not listed in the above schedule.

For governmental activities component units, CSURA has outstanding direct borrowing notes payable of $5,230,000 for a tax exempt note and $47,489,000 for a refunding loan. If CSURA fails to make principal and interest payments when due on the refunding loan, it will trigger a rate increase event. Briargate BID has an outstanding refunding loan of $2,566,000 that is collateralized by pledged revenue. Colorado Springs Downtown Development Authority has an outstanding direct borrowing note payable of $1,350,000, collateralized by the property purchased with the note proceeds.

Included in business-type activities, Airport has outstanding direct borrowing notes payable totaling $16,674,000. In the event of non-appropriation for payment of the Airport's principal and interest, the Colorado Department of Transportation (CDOT) as lender may transfer jet fuel sales and use tax revenue otherwise payable to the Airport to be paid to the lender. In the event of default, CDOT has the right to terminate the contract. If terminated, the Airport must return any funds that have been disbursed and any accrued interest within forty-five days of the date of termination. Utilities has direct borrowing outstanding notes payable of $4,400,000.

Business-type activities component units have outstanding direct borrowing notes payable of $1,362,000. Of this total, Fountain Valley Authority has a note payable for $555,000 that is collateralized by pledged revenue.

Over the years, the City has issued revenue bonds with pledged revenues as collateral. These bonds were issued to finance various construction projects within each of the issuing funds, with the pledged revenue coming from the respective fund.

	Amount Pledged (in 000's)	Term of Commitment
Business-type activities:		
Utilities revenue bonds	$ 3,318,943	2001 - 2051
PACE revenue bonds	937,188	2009 - 2038
Parking revenue bonds	4,976	1999 - 2027
PPAM revenue bonds	52,590	2019 - 2048

The total pledged revenue is not estimable in comparison to pledged debt in that revenues are uncertain as to future amounts. However, the debt coverage requirement for each issue must be met or the bonds will be in default. This provides sufficient coverage each year for the pledged debt. The debt service coverage, or comparison of pledged revenues net of specific operating expenses, for each pledged debt is provided in Table 12 of the Statistical Section.

K. Industrial Development Revenue Bonds and Other Instruments Issued under the Colorado County and Municipality Development Revenue Bond Act

The City has lent its name to various industrial development revenue bond issues over the years. Proceeds of these bond issues were used to finance various private activities relating to business expansion, construction and development. In addition, Private Activity Bonds (PAB) are a form of tax-exempt financing in which the City acts as the issuer under the County and Municipality Development Revenue Bond Act, section 29-3-101 CRS. PABs are authorized to allow counties and municipalities to promote industry and develop trade or other economic activity by inducing profit or nonprofit enterprises to locate, expand or remain in their communities. Recently, the City has prioritized affordable multi-family rental projects. The advantage to entities that borrow through the City is that they borrow funds at lower interest rates because the bonds are exempt from federal and state income tax.

The City is not liable for the repayment of principal or interest on these bonds and related financial activity is not shown in the financial statements. Prior to 2018, the City assigned its annual allocation to El Paso County. It is possible that PABs, or industrial revenue bonds, were issued using this allocation. The City now retains its allocations and works directly with requestors. During 2021, $22.0 million in PABs were issued under the City's allocation.

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L. Fund Balance

Fund balances of the governmental funds at December 31, 2021, include the following:

	General Fund	Non-Major Governmental Funds	Total Governmental Funds
Nonspendable:			
Delinquent property taxes receivable	$ 12,975	$ —	$ 12,975
Inventories	262,735	—	262,735
Endowments - CD Smith trust fund	—	1,545,021	1,545,021
Endowment - Cemetery endowment fund	—	13,907,462	13,907,462
Endowment - TOPS maintenance trust fund	—	645,238	645,238
Total nonspendable	275,710	16,097,721	16,373,431
Restricted:			
Emergency reserve - TABOR	9,767,010	—	9,767,010
TABOR refund/retention	34,617,510	603,284	35,220,794
Capital reserve - public safety	6,334,225	—	6,334,225
Capital reserve - parks	1,699,426	—	1,699,426
Bicycle Tax	—	207,788	207,788
Trails/Open Space	—	15,298,125	15,298,125
Conservation Trust	—	2,378,330	2,378,330
Public Safety Sales Tax	—	19,612,574	19,612,574
Road Repair, Maintenance, & Improvement Sales Tax	—	28,564,564	28,564,564
Special Improvement Maintenance Districts - ALL	—	1,118,105	1,118,105
Public improvements - Banning Lewis Ranch	—	2,456,610	2,456,610
General Improvement Districts - ALL	—	1,398,285	1,398,285
Lodgers and Auto Rental Tax	—	3,543,344	3,543,344
Gift Trust - general government	—	198,258	198,258
Gift Trust - public safety	—	562,087	562,087
Gift Trust - public works	—	6,122	6,122
Gift Trust - parks	—	3,544,944	3,544,944
Endowment - CD Smith trust fund	—	266,978	266,978
Endowment - Cemetery endowment fund	—	28,974	28,974
Endowment - TOPS maintenance trust fund	—	175,705	175,705
Total restricted	52,418,171	79,964,077	132,382,248
Committed:			
Public improvements - Public Space and Development	—	11,422,897	11,422,897
Public improvements - Subdivision Drainage	—	12,341,922	12,341,922
Public improvements - Arterial Roadway	—	2,521,705	2,521,705
Public improvements - Park Developer Easement	—	125,815	125,815
Ballfield Capital Improvements	—	96,994	96,994
Street Tree	—	94,734	94,734
Senior Programs	—	499,571	499,571
Therapeutic Recreation	—	4,870	4,870
Capital outlay - general government	4,813,854	18,615,521	23,429,375
Capital outlay - public safety	856,762	—	856,762
Capital outlay - planning	178,789	—	178,789
Capital outlay - public works	1,104,618	—	1,104,618
Capital outlay - parks	6,771,436	—	6,771,436
Total committed	13,725,459	45,724,029	59,449,488
Assigned:			
Public improvements - Park Developer Easement	—	61,675	61,675
Public improvements - Banning Lewis Ranch	—	341,939	341,939
Encumbrances - general government	6,358,271	—	6,358,271
Encumbrances - public safety	1,443,380	—	1,443,380
Encumbrances - planning	267,191	—	267,191
Encumbrances - public works	915,038	—	915,038
Encumbrances - parks	1,267,061	—	1,267,061
Encumbrances - capital projects	—	3,556,361	3,556,361
Total assigned	10,250,941	3,959,975	14,210,916
Unassigned:	72,282,536	—	72,282,536
Total unassigned	72,282,536	—	72,282,536
Total fund balances	$ 148,952,817	$ 145,745,802	$ 294,698,619

M. Derivative Instruments and Interest Rate Swaps

1. Utilities Derivative Instruments

Utilities' financial derivative instruments are acquired with the objective of effectively hedging expected cash flows. Interest rate hedges that are deemed effective by applying methods of evaluating effectiveness pursuant to GASB 53 are recognized as cash flow hedges. Financial derivative instruments that do not meet the effectiveness criteria are classified as investment derivative instruments. Changes in the fair value of cash flow hedge derivative instruments are reported as either deferred outflows or inflows of resources on the government-wide statement of net position and the proprietary funds balance sheet. Interest rate hedges that are deemed ineffective are recognized as standalone investment derivative instruments. The change in the fair value of investment derivative instruments is recognized as nonoperating revenues (expenses) on the statement of revenues, expenses and changes in net position.

Utilities has interest rate hedges based on both the Securities Industry and Financial Markets Association (SIFMA) index and the London Interbank Offered Rate (LIBOR) index. Historically, Utilities' interest rate derivative instruments based on 68.00% of 1-month LIBOR were classified as cash flow hedges. As of December 31, 2013, these LIBOR-based derivative instruments are no longer effective pursuant to GASB 53 hedge effectiveness standards and are considered investment derivative instruments.

Utilities values interest rate derivative instruments based on valuations provided by Stifel, a third-party valuation service provider for 2021. The fair values of the interest rate derivative instruments are based on present value of their estimated future cash flows and account for the risk of nonperformance.

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Summary of Derivative Instruments

The fair value and notional amount of derivative instruments outstanding at December 31, 2021, classified by type and changes in fair value of such derivative instruments (in 000's):

	Changes in Fair Value		Fair Value		
	Classification	Amount	Classification	Amount	Notional
Cash Flow Hedges					
Interest Rate Swaps	Deferred outflows	$ 9,603	Derivative instruments	$ (28,384)	$ 106,660
Total Cash Flow Hedges		$ 9,603		$ (28,384)	
Investment Derivative Instrument					
Interest Rate Swaps	Derivative instrument loss	$ 18,734	Derivative instruments	$ (64,652)	$ 243,350
Total Investment Derivative Instrument		$ 18,734		$ (64,652)	

Note: Immaterial differences may occur due to rounding.

Utilities employs interest rate swap derivative instruments that are designed to synthetically fix the cash flows on Variable Rate Demand Obligation bonds (VRDO). The variable rate received on the interest rate swaps is intended to offset the variable rate being paid on the obligations so that the fixed rate of the swap is essentially the effective rate incurred by Utilities.

Summary of scheduled projected future cash flows for interest rate derivative instruments as of December 31, 2021 (in 000's):

December 31,	Projected Future Cash Flows In/(Out) for Hedging Derivative Instruments
2022	$ (14,664)
2023	(14,100)
2024	(13,508)
2025	(12,890)
2026	(12,242)
2027-2031	(42,067)
2032-2036	(17,839)
2037-2041	(2,890)
Total	$ (130,200)

Note: Immaterial differences may occur due to rounding.

Summary of Utilities' pay-fixed interest rate swap agreements outstanding as of December 31, 2021 (in 000's):

	Notional Amount	Effective Date	Maturity Date	Trade Details	Counterparty
Cash Flow Hedges					
2005A SIFMA Swap	$ 52,820	09/15/05	11/01/35	Pay 4.7099%; receive SIFMA index	Bank of America, N.A.
2005A SIFMA Swap	17,750	09/15/05	11/01/35	Pay 4.7099%; receive SIFMA index	J. Aron & Company
2008A SIFMA Swap	36,090	09/12/08	11/01/38	Pay 4.2686%; receive SIFMA index	Bank of America, N.A.
Investment Derivative Instruments					
2005A SIFMA Swap	430	09/15/05	11/01/35	Pay 4.7099%; receive SIFMA index	Bank of America, N.A.
2006B New Money LIBOR Swap	22,630	09/14/06	11/01/36	Pay 4.1185%; receive 68% of LIBOR	JPMorgan Chase Bank, N.A.
2006B New Money LIBOR Swap	33,945	09/14/06	11/01/36	Pay 4.1185%; receive 68% of LIBOR	Morgan Stanley Capital Services, Inc.
2007A New Money LIBOR Swap	31,806	09/13/07	11/01/37	Pay 3.1980%; receive 68% of LIBOR	J. Aron & Company
2007A New Money LIBOR Swap	21,204	09/13/07	11/01/37	Pay 3.1980%; receive 68% of LIBOR	Morgan Stanley Capital Services, Inc.
2009C LIBOR Swap (2012 Novation)	55,875	10/01/09	11/01/28	Pay 5.4750%; receive 68% of LIBOR	Wells Fargo Bank, N.A.
2010C LIBOR Swap	38,055	10/26/10	11/01/40	Pay 3.8807%; receive 68% of LIBOR	Morgan Stanley Capital Services, Inc.
2012A LIBOR Swap	39,405	03/15/12	11/01/41	Pay 4.0242%; receive 68% of LIBOR	Morgan Stanley Capital Services, Inc.
Total Notional Amount for Interest Rate Swaps	$ 350,010				

Note: Immaterial differences may occur due to rounding.

2005A SIFMA Swap - During the fourth quarter of 2012, it was discovered that in 2008, Utilities redeemed a portion of its 2005A variable rate bond series through the issuance of the 2008D Clean Renewable Energy Bonds. This transaction created an immaterial difference between the notional size of the bond issuance and the interest rate swap hedge. The overhedged portion of the swap has therefore been declared an investment derivative instrument.

Risk

Utilities routinely monitors and manages risks in the areas of credit, interest rate and associated basis, termination, rollover, market access and foreign currency risks. These risks are discussed in detail below.

Credit Risk - The exposure resulting when the counterparty is unable or unwilling to fulfill its present and future financial obligations. Each of Utilities' interest rate cash flow and investment derivative instruments are held with various counterparties of high credit quality. Utilities views counterparty credit risks that may arise through interest rate derivative instrument transactions as similar between cash flow hedges and investment derivative instruments.

Long-term counterparty credit ratings from Moody's and S&P at December 31, 2021:

Counterparty	Credit Rating
J. Aron & Co.	A2/BBB+
JP Morgan Chase Bank, N.A.	Aa2/A+
Bank of America, N.A.	Aa2/A+
Morgan Stanley Capital Services, Inc.	A1/BBB+
Wells Fargo Bank, N.A.	Aa2/A+

The Financial Risk Management Plan requires that Utilities' counterparties to financial instruments be on an approved counterparty list. To be on the interest rate counterparty transaction list, at the time of transaction execution, counterparties must have a minimum credit rating in the "A-" category by at least one of the major credit rating agencies previously listed or a counterparty shall provide a guarantee, swap surety, or other form of credit enhancement such that its creditworthiness is of an "A-" category equivalent. Each counterparty must also have a demonstrated record of successfully executing swap transactions and shall have a minimum capitalization of at least $250.0 million.

The Energy Risk Management Plan requires that Utilities' counterparties to commodity transactions be on an approved counterparty list. To be on this list, counterparties must have the necessary contracts in place for the commodity being transacted and have adequate credit or credit facilities in place to cover assumed transactions. The Energy Risk Management Plan limits the amount of counterparty credit exposure according to the counterparty's credit rating. At December 31, 2021, Utilities has no forward exposure to energy financial commodity transactions.

It is Utilities' policy to require collateral posting provisions for all counterparties involved in its non-exchange-traded derivative instrument transactions. The collateral posted by counterparties is governed by the International Swaps and Derivatives Association agreements with collateral threshold limits as specified in each agreement. As the mark to market value of a fixed price financial derivative instrument held by Utilities decreases relative to market, Utilities may be obligated to post collateral with the applicable counterparty. Conversely, as the mark to market value of a fixed price financial derivative instrument agreement or call option increases, Utilities' counterparties may be required to post collateral.

At December 31, 2021, Utilities has posted approximately $12.1 million in collateral with various counterparties to the swap agreements. Utilities' aggregate fair value of derivative instruments as of December 31, 2021 was approximately ($93.0) million.

The combined fair value of all derivative instruments, net of collateral postings, as of December 31, 2021 was approximately ($80.9) million.

Collateral postings represent the initial amount that Utilities would be required to pay in the event counterparties failed due to a credit default event. Collateral posted is presented as restricted cash and impacts Utilities' cash reserves and liquidity. In the event of a failure of all counterparties due to a credit default, Utilities anticipates the full value of the collateral posting would be liquidated on behalf of secured creditors, thereby reducing actual cash balances and liquidity by the value of the collateral posting. A credit default by all counterparties could lead to additional cash requirements called by secured creditors up to the net liability of the combined derivative instrument positions.

The impact of a future credit default on Utilities is dependent on market conditions that exist at the time of the event. As a result, the impact on Utilities' cash and liquidity position could be negative or positive. In consideration of this uncertainty and to minimize the impact of such an event on liquidity, as of December 31, 2021, Utilities has total lines of credit available in the amount of $75.0 million. Utilities also closely monitors the creditworthiness of all existing counterparties and awards future business based on creditworthiness and collateral positions existing at the time of the transaction.

Interest Rate Risk - The risk that changes in market interest rates will adversely affect Utilities' anticipated cash flows. Utilities is exposed to interest rate risk on variable rate debt. Utilities utilizes fixed price swaps to offset cash flow exposures to a portion of the variable rate debt. Utilities receives fixed rate swap payments against VRDOs based on SIFMA and LIBOR swap indices.

Basis Risk - The risk that arises when variable rates or prices of a derivative instrument and a hedged item are based on different reference rates. Utilities is exposed to basis risk on pay-fixed interest rate swap hedging derivative instruments because the variable rate payments received by Utilities on these hedging derivative instruments are based on a rate or index other than interest rates. Utilities pays on hedged variable rate debt, which is generally remarketed every 7 days. As of December 31, 2021, the weighted average interest rate on Utilities' variable rate debt was 0.102%, the SIFMA swap index rate was 0.100%, while 68.00% of the LIBOR was 0.06%.

Termination Risk - The risk that a derivative instrument's unscheduled end will affect Utilities' asset and liability strategy or will present Utilities with potentially unscheduled termination payments to the counterparty. Utilities or its counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract or if both parties agree to terminate, or "close." If at the time of termination a hedging derivative instrument is in a liability position, Utilities would be liable to the counterparty for a payment equal to the liability, subject to netting arrangements.

Rollover Risk - The risk that a derivative instrument associated with a hedged item does not extend to the maturity of that hedged item. Utilities is exposed to rollover risk on hedging instruments of debt that mature or may be terminated prior to the maturity of the hedged debt. When these hedging derivative instruments terminate, or if a counterparty exercises a termination option, Utilities will be re-exposed to the risks being hedged by the hedging derivative instrument. Utilities has no exposure to rollover risk with current interest rate derivative instruments.

Market Access Risk - The risk that Utilities will not be able to enter credit markets or that credit will become more costly. A strong credit rating tends to broaden an entity's credit market access and bondholder base while achieving lower cost funding. As of December 2021, Utilities' long-term credit ratings are "Aa2/AA+" by Moody's and S&P, respectively.

Foreign Currency Risk - The risk that changes in exchange rates will adversely affect the cash flows of a transaction. Utilities has no exposure to foreign currency risk.

N. Tax Abatements

As a home rule city, the City Council has the authority to and has entered into Economic Development Agreements with local businesses which provide incentive payments based upon sales/use taxes paid by the businesses to the City. The taxes paid to the City are included in the revenue reported in these financial statements. The payments made to the businesses based upon the taxes paid are also included as expenditures in these financial statements. While the revenues and expenditures associated with these agreements are recognized by the City in accordance with City Code and included in these financial statements, per GASB 77, the substance of the agreements meet the definition of "tax abatements" as the revenues received were not available for general municipal services purposes, but rather used to effectively reduce the net tax liability of certain taxpayers per the conditions of an agreement.

The purpose of these agreements is to proactively enhance the local business climate by retaining existing businesses and jobs and to bring new companies and industries to the City. Specific agreements are formalized through various City Council Resolutions and generally require a certain level of capital expenditure and/or job creation. The agreements are not assignable and payments are subject to annual appropriation by City Council.

Companies party to an agreement must pay their sales/use tax when due and submit documentation to the City to request the agreed-upon payment. The City reviews these submissions to verify compliance with the terms of each specific agreement and then issues the payment via check back to the company. The City reserves the right to recapture any payment paid in error and requires the company to return funds when either party becomes aware of an excess payment.

For the fiscal year ended December 31, 2021, under this program the City has "abatements" of sales/use taxes totaling $440,340 as follows:

Type of business	Number of Agreements	Sales/Use Tax "Abatements" (Payments based upon Sales/Use Taxes Paid)
Hotel/entertainment	1	$ 60,108
Software sales	2	294,061
Retail sales	1	86,171
		$ 440,340

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IV. OTHER INFORMATION

A. Risk Management

The City's Risk Management division manages the insurance and self-insurance programs that have been established to respond to claims presented against the City, Utilities and MHS. For workers' compensation coverage the City has purchased commercial insurance to cover losses in excess of $750,000 per occurrence. The City pays losses less than this amount through the Workers' Compensation Self-Insurance fund and records a liability for unpaid workers' compensation claims and an estimate of claims incurred but not reported (IBNR). MHS is self-insured for workers' compensation claims up to $750,000 per claim and maintains reinsurance covering claims in excess of $750,000. A liability is recorded for unpaid workers' compensation claims. MHS exposure to workers' compensation claims is limited to operations prior to the lease of the system on October 1, 2012. Since October 1, 2012, MHS has had no employees. All MHS workers' compensation claims have been resolved.

General liability coverage for the operations of Utilities is purchased from commercial carriers for losses in excess of $1,000,000. General liability coverage for the Airport is purchased from commercial carriers with varying deductibles. The City and its enterprises are self-insured for general liability coverage up to $1,000,000. The Colorado Governmental Immunity Act currently provides that the maximum amount that may be recovered against entities such as the City is $424,000 for any injury to one person in any single occurrence and $1,195,000 for any injury to two or more persons in any single occurrence. A liability is recorded for claims for which the City is legally obligated to pay.

The City maintains a self-insurance certificate from the State of Colorado for auto liability. The certificate renews every three years. For 2021, the City is reporting auto liability case reserves of $454,000 and IBNR reserves of $195,000 as reflected in the 2021 actuary report.

The City has purchased property coverage to insure against loss to City property. Deductibles are paid by the General Fund or enterprise funds.

For medical claims coverage, the City has a reinsurance policy that provides coverage for claims in excess of $525,000 specific deductible per person, along with $200,000 aggregating specific deductible. The City pays for medical claims through its Employee Benefits Self-Insurance fund. The City has recorded a liability for medical claims and an estimate of IBNR. Utilities is self-insured up to $400,000 per individual for medical and self-insured for a limited dental benefit, and is fully insured for the vision plan. Utilities pays claims and associated plan expenses through its Employee Benefits Self-Insurance fund. Utilities maintains a reinsurance policy should a covered medical claim exceed $400,000 and has a fully funded reserve account for claims IBNR, Health Reimbursement Account and catastrophic claims.

During 2021, the following changes took effect in the Utilities property policy: Flood deductible was increased at two locations, to $500,000 per location subject to a minimum of $1,000,000 for any one loss; In Transit deductible increased from $250,000 to $1,000,000; Aside from resultant physical property damage due to a cyber event, cyber coverage under the property policy decreased to $10,000. Aside from these changes, there were no other significant reductions in insurance coverage as compared to 2020. In the past three years, no loss occurred that required settlements in excess of coverage. In the past three years, no loss occurred that required settlements in excess of coverage.

The following is a summary of changes in outstanding reserves for 2021 and 2020. The City's liability is included in claims payable in the respective internal service funds. The liabilities for Utilities are included in accrued liabilities and other long-term liabilities (in 000's).

	2021	2020
Claims liabilities, beginning of the year	$ 31,776	$ 28,974
Increases	64,187	68,756
Decreases	(67,740)	(65,954)
Claims liabilities, end of year	$ 28,223	$ 31,776

As a result of the continued spread of a novel coronavirus and the incidence of COVID-19 and variants, economic uncertainties continue which may negatively affect the financial position, results of operations and cash flows of the City. The duration of these uncertainties and the ultimate financial effects cannot be reasonably estimated at this time.

B. Donor-restricted Endowments

As of December 31, 2021, the City maintained three donor-restricted endowment funds as follows:

	Fund Balances	Available for Spending
C.D. Smith Trust	$ 1,811,999	$ 266,978
Cemetery Endowment	13,936,436	28,974
TOPS Maintenance Trust	820,943	175,705

State law does not restrict the ability to spend net appreciation on these funds. Terms of the donation, however, restrict spending to investment earnings only. The policy for authorizing and spending investment income states that all investment earnings are available for expenditure. The amount available for spending is reported as expendable under net position restricted for endowments on the statement of net position and as restricted fund balance on the balance sheet.

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C. Postemployment Benefits Other than Pensions

The City's former or current non-uniformed and uniformed (firefighters and police officers) employees are eligible to participate in various defined benefit postemployment benefit other than pension (OPEB) plans. More detailed notes regarding each plan follows. Below is a table that summarizes the net OPEB liabilities, deferred outflows and inflows of resources, and OPEB expenses associated with each of the plans (in 000's).

	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
GOVERNMENTAL ACTIVITIES				
PERA Health Care Trust Fund	$ 7,909	$ 1,395	$ 2,547	$ 302
City OPEB Plan	22,160	5,665	10,430	1,325
Utilities OPEB Plan	—	—	—	—
Total governmental activities	30,069	7,060	12,977	1,627
BUSINESS-TYPE ACTIVITIES				
PERA Health Care Trust Fund	18,328	2,639	7,244	248
City OPEB Plan	933	238	355	72
Utilities OPEB Plan	17,447	1,156	—	(2,546)
Total business-type activities	36,708	4,033	7,599	(2,226)
TOTAL				
PERA Health Care Trust Fund	26,237	4,034	9,791	550
City OPEB Plan	23,093	5,903	10,785	1,397
Utilities OPEB Plan	17,447	1,156	—	(2,546)
Total	$ 66,777	$ 11,093	$ 20,576	$ (599)

Note: Immaterial differences may occur due to rounding.

1. Colorado PERA Health Care Trust Fund

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

Plan Description: Eligible employees of the City are provided with OPEB through the HCTF, a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (CRS), as

amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the CRS, as amended, sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report that can be obtained at:

https://www.copera.org/files/d44458867/5-20-20.pdf

or by writing to
Colorado PERA, 1301 Pennsylvania Street
Denver, Colorado 80203

or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372)

Benefits Provided: All City civilian employees are members of the HCTF. The HCTF provides a health care premium subsidy to eligible participating PERA benefit recipients and retirees who choose to enroll in one of the PERA health care plans, however, the subsidy is not available if only enrolled in the dental and/or vision plan(s). The health care premium subsidy is based upon the benefit structure under which the member retires and the member's years of service credit. For members who retire having service credit with employers in the Denver Public Schools (DPS) Division and one or more of the other four Divisions (State, School, Local Government and Judicial), the premium subsidy is allocated between the HCTF and the Denver Public Schools Health Care Trust Fund (DPS HCTF). The basis for the amount of the premium subsidy funded by each trust fund is the percentage of the member contribution account balance from each division as it relates to the total member contribution account balance from which the retirement benefit is paid.

CRS § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure and all retirees under the DPS benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Upon the death of a DPS benefit structure retiree, no further subsidy is paid.

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

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

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

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the City were $2,836,355 for the year ended 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: As of December 31, 2021 the City reported a liability of $26,236,717 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2020. The City's proportion of the net OPEB liability was based on its contributions to the HCTF for the calendar year 2020 relative to the total contributions of participating employers to the HCTF.

At December 31, 2020, the City's proportion was 2.7610%, which was a decrease of 0.0089% from its proportion measured as of December 31, 2019.

The City and Utilities report contributions to the HCTF independent of each other; therefore all OPEB related amounts, including net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense, are allocated from the HCTF independently. City allocates its portion of the HCTF between governmental activities and business-type activities, except Utilities, based on contributions. This allocation for the year-ended December 31, 2021 (a December 31, 2020 measurement date) was 85.5590% and 14.4410% between the governmental activities and business-type activities, respectively, excluding Utilities. This allocation is an increase from the prior year in the governmental activities of 0.2775% and a corresponding decrease in the business-type activities. It is important to note, amounts presented in this disclosure footnote include both City and Utilities amounts combined.

For the year ended December 31, 2021 the City recognized OPEB expense of $549,744.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 68,532	$ 5,766,816
Net difference between projected and actual earnings on OPEB plan investments	—	1,072,039
Changes of assumptions or other inputs	196,068	1,610,815
Changes in proportion	932,974	1,341,214
Contributions subsequent to the measurement date	2,836,355	—
Total	$ 4,033,929	$ 9,790,884

The $2,836,355 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Investments	Changes of Assumptions or Other Inputs	Net Changes in Proportion	Net Effect of Amortized Deferred Amounts on OPEB Expense
2022	$ (1,312,388)	$ (341,519)	$ (256,148)	$ (150,458)	$ (2,060,513)
2023	(1,312,388)	(191,677)	(256,148)	(150,458)	(1,910,671)
2024	(1,343,109)	(358,346)	(256,148)	(2,779)	(1,960,382)
2025	(1,337,297)	(180,497)	(306,855)	(83,364)	(1,908,013)
2026	(373,794)	—	(317,598)	(19,884)	(711,276)
Thereafter	(19,308)	—	(21,850)	(1,297)	(42,455)
Total	$ (5,698,284)	$ (1,072,039)	$ (1,414,747)	$ (408,240)	$ (8,593,310)

The differences between expected and actual experience, and the City's change in proportion in the plan are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The HCTF determined the average expected remaining service lives for active and inactive members at the beginning of the 2020 measurement period to be 6.07 years. The difference between expected and actual investment experience is amortized over a closed five year period.

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

	Rate (%)
Actuarial cost method	Entry age
Price inflation	2.40
Real wage growth	1.10
Wage inflation	3.50
Salary increases, including wage inflation	3.50 in aggregate
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25
Discount rate	7.25
Health care cost trend rates PERA benefit structure:	
Service-based premium subsidy	—
PERACare Medicare plans	8.10 in 2020, gradually decreasing to 4.50 in 2029
Medicare Part A premiums	3.50 in 2020, gradually increasing to 4.50 in 2029

In determining the additional liability for PERACare enrollees who are age 65 or older and who are not eligible for premium-free Medicare Part A in the December 31, 2019, valuation, the following monthly costs/premiums are assumed for 2020 for the PERA benefit structure:

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

The 2020 Medicare Part A premium is $458 per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2019, the health care cost trend rates for

Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans (%)	Medicare Part A Premiums (%)
2020	8.10	3.50
2021	6.40	3.75
2022	6.00	3.75
2023	5.70	3.75
2024	5.50	4.00
2025	5.30	4.00
2026	5.10	4.00
2027	4.90	4.25
2028	4.70	4.25
2029	4.50	4.50
Thereafter	4.50	4.50

Mortality assumptions used in the December 31, 2019 valuation for the determination of the total pension liability for the LGDTF as shown below were applied in the determination of the total OPEB liability for the HCTF. Affiliated employers of the State, School, Local Government, and Judicial Divisions participate in the HCTF.

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

Healthy post-retirement non-disabled mortality assumptions were based on the RP-2014 Healthy Annuitant Mortality Table, adjusted as follows:

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

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

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

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

Based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period of January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020. The assumptions shown below were reflected in the roll forward calculation of the total OPEB liability from December 31, 2019, to December 31, 2020.

	Rate (%)
Actuarial cost method	Entry age
Price inflation	2.30
Real wage growth	0.70
Wage inflation	3.00
Salaries increases, including wage inflation	3.20 - 11.30

The long-term rate of return, net of OPEB plan investment expenses, including price inflation and discount rate assumptions was 7.25%.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Mortality assumptions used in the roll forward calculations for the determination of the total pension liability for the LGDTF as shown below were applied in the roll forward calculation for the HCTF, using a headcount-weighted basis.

Pre-retirement mortality assumptions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.

- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using scale MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97% of the rates for all ages, with generational projection using scale MP-2019.

- Females: 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the PubNS-2010 Disabled Retiree Table using 99% of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a head count-weighted basis.

The following health care costs assumptions were updated and used in the roll forward calculation for the HCTF:

- Initial per capita health care costs for those PERACare enrollees under the PERA benefit structure who are expected to attain age 65 and older ages and are not eligible for premium-free Medicare Part A benefits were updated to reflect the change in costs for the 2020 plan year.

- The health care cost trend rates for Medicare Part A premiums were revised to reflect the then-current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

Actuarial assumptions pertaining to per capita health care costs and their related trend rates are analyzed and updated annually by the Board's actuary, as discussed above.

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

- Price inflation assumption decreased from 2.40% per year to 2.30% per year.

- Real rate of investment return assumption increased from 4.85% per year, net of investment expenses to 4.95% per year, net of investment expenses.

- Wage inflation assumption decreased from 3.50% per year to 3.00% per year.

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

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The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019, meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation (%)	30 Year Expected Geometric Real Rate of Return (%)
Global equity	54.00	5.60
Fixed income	23.00	1.30
Private equity	8.50	7.10
Real estate	8.50	4.40
Alternatives[1]	6.00	4.70
Total	100.00	

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

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates: The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or higher than the current rates:

	1% Decrease	Current Trend Rates	1% Increase
Initial PERACare Medicare trend rate	7.10%	8.10%	9.10%
Ultimate PERACare Medicare trend rate	3.50	4.50	5.50
Initial Medicare Part A trend rate	2.50	3.50	4.50
Ultimate Medicare Part A trend rate	3.50	4.50	5.50
Proportionate share of the net OPEB liability	$ 25,558,212	$ 26,236,717	$ 27,025,746

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2020, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.

- Employer contributions and the amount of total service costs for future plan members were based upon a process used by the plan to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- Estimated transfer of dollars into the HCTF representing a portion of the purchase services agreements intended to cover the costs associated with OPEB benefits.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of the City's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate: The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Proportionate share of the net OPEB liability	$ 30,054,192	$ 26,236,717	$ 22,974,269

OPEB Plan Fiduciary Net Position: Detailed information about the HCTF's fiduciary net position is available in PERA's annual comprehensive financial report which can be obtained at:

https://www.copera.org/files/d44458867/5-20-20.pdf

2. The City of Colorado Springs OPEB Plan

The City's postemployment benefits other than pension plan is a single-employer defined benefit OPEB plan administered by the City of Colorado Springs. The total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB and OPEB expense of the plan have been determined on the same basis as they are reported by the plan using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefits paid on behalf of health care participants are recognized when due and/or payable in accordance with the benefit terms. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75 as the plan is pay-as-you-go.

Plan Description: Uniformed employees who retire from active service with the City and who begin receiving pension benefit payments are eligible to participate in the City's medical benefits plan as a retiree until the retiree reaches Medicare-eligible age, currently 65. Beginning January 1, 2011, retirees who reach age 65 and are Medicare-eligible are no longer eligible to participate

in the City's medical benefit plans, but have access to the Via Benefits (formerly One Health) private medical plan exchange. "Grandfathered" retirees who have reached age 65 and are not Medicare-eligible are allowed to stay on the City's medical plans.

Civilian employees who retire from active service with the City and who begin receiving pension benefit payments are not eligible to participate in the City's medical benefits plan as they have access to PERACare. There remain a few civilian retirees who have reached the Medicare-eligible age that have access to Via Benefits (formerly One Health) medical plans as they are not eligible to participate in the PERACare plans. Both uniformed and civilian retirees have access to the City's dental and vision benefits plans before and after they reach Medicare-eligible age.

Upon retirement from employment with the City, the following life insurance benefits are available to the retiree:

- $9,000 for Mayor and Mayoral Appointees
- $6,000 for City Department Heads and other City Executives
- $3,000 for all other City retirees

The medical benefit recipients and members of the City's OPEB plan as of December 31, 2019 are as follows:

Number of retirees receiving benefits	1,886
Number of beneficiaries receiving benefits	22
Number of active employees	2,484

Only retirees are eligible for medical benefits with City OPEB, all of whom are inactive employees. Thus, there are no inactive non-retirees eligible for City OPEB medical benefits.

Benefit Payments: Medical Plan - City benefit payments for a retiree's medical plan premium vary as follows:

Retirees that were:	City pays:
Eligible to retire prior to January 1, 1979	The retiree's medical plan premium paid in full
Hired prior to August 1, 1988 and eligible to retire on or after January 1, 1979	$91.40 per month toward the retiree medical plan premium costs, the retiree pays the balance of the premium costs
Hired on or after August 1, 1988	Nothing toward the retiree's medical plan premium costs, retiree pays the full medical plan premium

There is no direct cost to the City for those uniformed retirees that participate in the medical benefits plan as the retirees are responsible for their full medical plan premium cost.

Dental and Vision Plan - All retirees are required to pay the full dental and vision plan premiums should they choose to participate the City's plans. In addition, the vision plan is not self-funded, but rather, fully insured.

Retiree Life Plan - The City pays the following annually for retiree life insurance premiums:

- $11.88 for Mayor and Mayoral Appointees
- $7.92 for City Department Heads and other City Executives
- $3.96 for all other City retirees

If the retirement is a disability retirement, the retiree applies for a waiver of premium through the City's carrier. If approved, the retiree receives a life insurance benefit in the amount of one and a half times his or her salary until the retiree attains the age of 65, at which point the life insurance is reduced to the amounts listed above. The City does not pay for the carrier approved waivers.

Employer benefit payments recognized from the City were $1,367,024 for the year ended December 31, 2021.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: As of December 31, 2021, the City reported a liability of $23,093,544 for total OPEB liability. The total OPEB liability was measured as of December 31, 2020, and was determined by an actuarial valuation as of that date.

The City allocates its OPEB plan between governmental activities and business-type activities, except Utilities, based on benefit payments. This allocation for the year-ended December 31, 2021, (a December 31, 2020 measurement date) was 95.84034% and 4.15966% between governmental activities and business-type activities, respectively. This allocation is a decrease from the prior year in the governmental activities of 0.36266% and a corresponding increase in the business-type activities.

For the year ended December 31, 2021 the City recognized OPEB expense of $1,396,720.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 725,202	$ 9,529,100
Changes of assumptions or other inputs	3,810,443	1,256,616
Benefit payments subsequent to the measurement date	1,367,024	—
Total	$ 5,902,669	$ 10,785,716

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The $1,367,024 reported as deferred outflows of resources related to OPEB, resulting from benefit payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended December 31,	Differences Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Net Effect of Amortized Deferred Amounts on OPEB expense
2022	$ (1,216,727)	$ 610,225	$ (606,502)
2023	(1,419,903)	348,833	(1,071,070)
2024	(1,419,903)	348,833	(1,071,070)
2025	(1,419,903)	348,833	(1,071,070)
2026	(1,535,332)	545,967	(989,365)
Thereafter	(1,792,130)	351,136	(1,440,994)
Total	$ (8,803,898)	$ 2,553,827	$ (6,250,071)

The differences between expected and actual experience and changes of assumptions or other inputs are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The average expected remaining service life of active and inactive members at the beginning of the 2020 measurement period was determined to be 7.2 years.

Actuarial Assumptions. The total OPEB liability in the December 31, 2020 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

	Rate (%)
Actuarial cost method	Entry age, level % of pay
Wage inflation (civilian)	3.20
Wage inflation (sworn)	3.20
Salary increases, including wage inflation	3.20 - 11.30
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	N/A
Discount rate[1]	2.12

[1]Source: Bond Buyer 20-Bond GO index

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The health care cost trend assumptions are used to project the cost of health care in future years. The following annual trends are based on the current HCA Consulting trend study and are applied on a select and ultimate basis. Select trends are reduced 0.25% each year until reaching ultimate trend rate:

Expense Type	Select (%)	Ultimate (%)
Pre-Medicare medical and prescription benefits	7.5	4.0
Medicare beneftis	6.5	4.0
Stop loss fees	7.5	4.0
Administrative fees	4.0	4.0

Per capita health costs of expected retiree claims were developed using 24 months of historical claim experience through June 2021. An underwriting adjustment to account for the estimated impact of COVID-19 was made to account for the overall decrease in claims during 2020. The annual age 60 and 70 claim costs for retirees and their spouses are provided in the table below:

Per Capita Cost	Age 60	Age 70
Premier	$ 15,600	$ 8,300
Advantage	10,400	5,300
Future retirees	12,400	6,500

Mortality Assumptions: Mortality rates originated from Pub-2010 headcount weighted mortality table with generational scale MP-2020, applied for general and safety personnel.

Age Based Morbidity Assumptions: The assumed per capita health claim costs were adjusted to reflect expected increases related to age and gender. These increases are based on a 2013 Society of Actuaries study, with sample rates shown below:

Sample Age	Male (%)	Female (%)
45	4.6	1.6
50	6.2	4.2
55	5.4	2.4
60	4.7	3.6
65	1.7	2.4
70	1.8	2.0
75	1.2	1.3
80	0.8	1.1

Retirees who retire on or after January 1, 1979 and were hired before August 1, 1988 are eligible for a retiree subsidy of $91.40 and are assumed to participate in the program.

Primary changes in assumptions since the previous measurement date of December 31, 2019 include:

- The discount rate decreased from 2.74% to 2.12% based on the changes in the 20-year municipal bond rate.
- The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2017 to Pub-2010 mortality table with generational scale MP-2020 to reflect the Society of Actuaries' recent mortality study.
- The medical and prescription trend rate was updated from 7.25% to 7.50%, grading down at 0.25% with an ultimate rate of 4.00%
- The marriage assumption was updated from 70% to 50% based upon the current retiree census.
- Administrative and stop loss fees were included in the analysis.

Primary changes in experience since the previous measurement date of December 31, 2019 include a drop in the liability attributed to the following:

- The contributions were significantly smaller for retirees according to the prior actuarial report.
- The grandfathered population receiving post-Medicare benefits is decreasing over time.

Sensitivity of the Total OPEB Liability to Changes in Health Care Cost Trend Rates: The following presents the total OPEB liability using the current health care cost trend rates applicable to the benefit structure, as well as what the total OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or higher than the current rates:

	1% Decrease	Current Trend Rate	1% Increase
Health care cost trend rates	6.25 - 3.00%	7.25 - 4.00%	8.50 - 5.00%
Total OPEB liability	$ 22,664,000	$ 23,094,544	$ 23,641,000

Discount Rate: The plan is pay-as-you-go. Since there are no dedicated assets and retiree benefits are paid annually in an amount equal to the benefits distributed, the discount rate used was 2.12% based on a yield or index rate for 20-year, tax-exempt general obligation municipal bonds.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability calculated using the discount rate of 2.12%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 1.12%	Current Discount Rate 2.12%	1% Increase 3.12%
Total OPEB liability	$ 26,025,000	$ 23,094,544	$ 20,657,000

Because the City's medical and dental plans are self-funded, the plan does not release a separate report. However, the benefits are accounted for under the Employee Benefits Self-Insurance Fund under the City's Internal Service Funds.

Changes in the Total OPEB Liability: Below is a schedule of changes in the total OPEB liability for the City's OPEB plan for year ended December 31, 2021, with a measurement date of December 31, 2020.

Total OPEB liability (TOL) - beginning of year	$	31,694,639
Service cost		755,413
Interest		869,136
Changes in benefit terms		—
Differences between expected and actual experience		(10,902,174)
Changes of assumptions or other inputs		2,136,079
Benefit payments		(1,459,549)
Net changes to TOL		(8,601,095)
Total OPEB liability (TOL) - end of year	$	23,093,544
Plan fiduciary net position as a percentage of total OPEB liability		— %
Covered employee payroll	$	218,386,539
Total OPEB liability as a percentage of covered employee payroll		10.57 %

3. Colorado Springs Utilities OPEB Plan

In accordance with City Code, Utilities offers a single-employer defined benefit health care OPEB plan to retirees with Utilities' benefit payments determined by City Council. Employees eligible to retire prior to January 1, 1979, receive this health care plan without cost to the employee. Those eligible to retire after January 1, 1979 and hired prior to August 1, 1988 receive a limited Utilities' contribution not to exceed $91.40 per month. The monthly subsidy for these members is determined as the difference between the full PERA premium and the PERA service subsidy. All employees hired after August 1, 1988, receive no contribution from Utilities for this health care plan. In addition to regular medical insurance subsidies, Utilities also funds a

Medicare supplement for eligible retirees. No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB 75.

Utilities' OPEB plan also provides a subsidy of life insurance premiums of $0.13/$1,000 for life insurance amounts up to $9,000/year per member, depending on employee type, to those who have retired prior to January 1, 2013. Employees retiring after January 1, 2013 are no longer eligible to receive the life insurance benefits.

As of the most recent actuarial valuation of the plan, 1,212 retired members or beneficiaries and 10 active employees were covered by the benefit terms.

Utilities total OPEB liability as of December 31, 2021 of $17,448,000 was measured as of December 31, 2020 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs: The total OPEB liability in the actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurements, unless otherwise specified:

Measurement date	December 31, 2020
Actuarial cost method	Entry age
Inflation	3.20%
Salary increases	3.20 - 11.30%
Discount rate	2.12%
Health care cost trend rates	
PERA premiums	6.25%
Medicare Part B	4.00%

Healthy mortality assumptions for active members were based on the Pub-2010 mortality table with generational scale MP-2020.

The retirement, termination and salary scale rates used in the December 31, 2020 valuation were based on the 2020 Colorado PERA Actuarial Experience Study.

Changes in the Total OPEB Liability: Below is a schedule of changes in the total OPEB liability for the Utilities' OPEB plan for year ended December 31, 2021, with a measurement date of December 31, 2020.

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Total OPEB liability (TOL) - beginning of year	$	21,179,000
Service cost		12,000
Interest		565,000
Changes in benefit terms		—
Differences between expected and actual experience		(5,151,000)
Changes of assumptions or other inputs		1,988,000
Benefit payments		(1,145,000)
Net changes to TOL		(3,731,000)
Total OPEB liability (TOL) - end of year	$	17,448,000
Fiduciary net position as a percentage of total OPEB liability		— %
Covered employee payroll	$	1,183,000
Total OPEB liability as a percentage of covered employee payroll		1,474.89 %

Changes of Assumptions:

- Changes in the discount rate from 2.74% to 2.12%.
- The retirement, termination and salary scale rates were updated to the rates from the PERA rates as of December 31, 2020.
- The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2020 to reflect the Society of Actuaries' recent mortality study.
- Trend rates were reset to 6.25% grading down by 0.25% to 4.0%. The Medicare Part B premium ultimate rate used was changed to 4.0%.

Discount Rate: The plan is pay-as-you-go. Since there are no dedicated assets and retiree benefits are paid annually in an amount equal to the benefits distributed, the discount rate used was 2.12% based on a yield or index rate for 20-year, tax-exempt general obligation municipal bond.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the total OPEB liability calculated using the discount rate of 2.12%, as well as what the total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
	1.12%	2.12%	3.12%
Total OPEB liability	$ 19,473,000	$ 17,448,000	$ 15,860,000

Sensitivity of the Total OPEB Liability to Changes in the Health Care Cost Trend Rates: The following presents the total OPEB liability of Utilities, as well as what the OPEB liability would be if it were calculated using health care cost trend rates that are one percentage point lower or higher than the current health care cost trend rates:

	1% Decrease	Current Trend Rates	1% Increase
Initial PERA premiums trend rate	5.25%	6.25%	7.25%
Ultimate PERA premiums trend rate	3.00	4.00	5.00
Medicare Part B	3.00	4.00	5.00
Total OPEB liability	$ 17,483,000	$ 17,448,000	$ 17,537,000

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB: For the year ended December 31, 2021, Utilities recognized OPEB expense of $(2,546,158). At December 31, 2021, Utilities reported deferred outflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources
Benefit payments subsequent to the measurement date	$ 1,156,000
Total	$ 1,156,000

The $1,156,000 reported as deferred outflows of resources related to OPEB, resulting from benefit payments subsequent to the measurement date, will be recognized as a reduction of the total OPEB liability in the year ended December 31, 2022.

D. Commitments and Contingent Liabilities

1. Construction and Purchase Commitments

Significant construction and purchase commitments of the City, as of December 31, 2021, are as follows (in millions):

General Fund	$ 11.7
Non-major governmental funds	57.5
Utilities	119.0
Non-major enterprise funds	11.0

On April 27, 2016, the City entered into an Intergovernmental Agreement (IGA) with Pueblo County, relating to the City's future operation of its stormwater program. The IGA included provisions requiring the City to make certain minimum expenditures for its stormwater program, including both operation and maintenance, and capital improvements, a portion of which will be paid by Utilities. For calendar years 2016 through 2035, the City and Utilities agreed to expend a minimum of $460 million, with a minimum total, annual averages, and annual minimum expenditures.

The IGA also included provisions that require a portion of these funds to be spent on capital improvement projects benefiting the City and Pueblo County.

Although the IGA does not contain express language stating that these City expenditures are subject to annual appropriation, future year City expenditures are nevertheless made subject to this appropriation limitation by Section IV (N) of the IGA. Moreover, the City is obligated under the federal Clean Water Act to operate its stormwater system in compliance with a municipal separate storm sewer system (MS4) Discharge Permit. A substantial portion of the expenditures required by the IGA will also serve to fulfill the City's obligations under the Discharge Permit and federal law.

In November 2017, City voters approved reestablishment of Stormwater User Service Fees to be imposed upon all developed or improved property within the City. This approval directs that the revenues derived therefrom will be collected by an enterprise fund and used only for the stormwater system capital and operating expenses, performance of MS4 Discharge Permit obligations, and meeting the obligations arising under intergovernmental agreements entered into prior to June 1, 2016, which includes the IGA. The voter authorization also allows the fees to be increased by City Council if necessary to comply with federal law, a court order, or to meet IGA obligations. The fees were imposed beginning July 1, 2018. It was initially anticipated that this revenue stream would be sufficient to fund the IGA financial commitments. In February 2021, City Council voted to increase the fees in July 2021, July 2022 and July 2023 in order to meet the financial obligations of the Stormwater Enterprise imposed by federal or state permits, the IGA obligations and to comply with the federally mandated consent decree dated January 22, 2021.

2. Refunded Bonds

The City placed proceeds from advance refunding bond issues and in-substance defeasances in irrevocable refunding escrow accounts. As of December 31, 2021, the City remains contingently liable for the outstanding principal balance of $30,470,000 in refunded bonds and debt defeased in-substance.

Utilities has placed proceeds from advance refunding bond issues in irrevocable refunding escrow accounts throughout various years. As of December 31, 2021, Utilities remains contingently liable for the outstanding principal balance of $7,960,000 in refunded bonds.

3. Charter Amendments

In April 1991, voters approved City Charter Amendment #3, entitled Taxpayers Bill of Rights (TABOR). In November 1992, voters adopted a similar statewide constitutional amendment. Both contain provisions which limit the amount of revenue the City may retain in any given year. TABOR permits a maximum annual percentage change in "fiscal year spending" (FYS) equivalent to the sum of inflation in the prior calendar year and annual local growth. Should actual FYS increase at a rate greater than that which the formula allows, the City must refund the "excess" in the ensuing year or seek voter approval to retain the "excess." TABOR also establishes a separate requirement for local governments that limits the increase in property tax revenue from year to year. In November 2021, the City asked, and the citizens approved, a TABOR ballot item known as Issue 2D. Part of the ballot question allowed the City to retain and spend up to $20 million of the 2021 "excess" on city-wide and Pikes Peak region wildfire and prevention efforts. The City's remaining "excess" will be refunded during 2022 through a Colorado Springs Utilities credit.

Policy-making and legislative authority are vested in the governing council (Council) consisting of nine members, all elected on a non-partisan basis. Council members serve four-year terms and are term limited to two terms. Three council members are elected at large; the remaining

council members are elected from six equally-populated districts. Biennially, council members elect a President from among themselves to preside over the meetings and a President Pro Tempore to fill in when the President is absent.

4. Litigation

The City is involved as a defendant in various legal actions involving claims and litigation arising from contracts, personal injury, property damage, and other matters. It is the practice of the City to expense and record as a liability those claims where a liability has been incurred and the amount of ultimate settlement can be reasonably estimated. Except as stated below, the City has provided for these estimated probable losses in the financial statements and, in the opinion of management, such claims and litigation will not have a material, adverse effect on the operations of the City.

The Clean Water Act Litigation - On November 9, 2016, the United States, on behalf of the Environmental Protection Agency, and the State of Colorado, on behalf of its Department of Public Health and Environment, filed a complaint against the City in the United States District Court for Colorado. The complaint sought injunctive relief and civil penalties against the City claiming that the City has not complied with discharge permits for its Municipal Separate Storm Sewer System (MS4). Pueblo County and a conservancy district had intervened as additional plaintiffs.

In January 2021, the City and the parties to the litigation entered into a Consent Decree, settling the litigation. In the Consent Decree, the City agreed to undertake certain remedial actions, agreed to certain injunctive relief, and agreed to pay certain amounts to the EPA and the Lower Arkansas Valley Water Conservancy District. The City anticipates that funds derived from user fees collected by the Stormwater Enterprise Fund will be available to offset the cost of its obligations under the Consent Decree. The City paid $2.0 million for this claim during 2021.

The Curb Ramps Litigation - On March 20, 2019, Sharon King and Paul Spotts filed a class action lawsuit in the United States District Court for Colorado alleging that the City had failed to provide access to its public sidewalks for individuals with mobility disabilities, contrary to federal laws, and particularly the Americans with Disabilities Act. The plaintiffs and City had entered into a class action settlement agreement, which has been approved by the Court, and will require the City to install or retrofit 15,400 curb ramps over a period of 14 years, at the rate of at least 1,100 curb ramps per year at an aggregate cost to the City estimated to be $61,600,000 (2018 dollars) and attorneys' fees. The City intends to fulfill the obligation over the stated period from its general fund and other available revenues.

De'Von Bailey Claims - In the United States District Court case titled Estate of De'Von Bailey v. City of Colorado Springs, et al., 20-cv-1600-WJM-KMT, plaintiffs have asserted claims for excessive force, denial of equal protections, and battery causing wrongful death. These claims arise from City police officers shooting Mr. Bailey during an encounter after a reported armed robbery involving Mr. Bailey. The City actively defended the suit throughout 2021. The matter settled in January 2022 with the City paying its self-insured retention and the excess carrier paying the balance.

5. Contingent Liabilities

Under the terms of federal and state grants, periodic audits are required and certain costs may be questioned as not being appropriate expenditures under the terms of the grant. Such audits could lead to reimbursements to the grantor agencies. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time. Management believes disallowances, if any, resulting from any such audits would be immaterial.

6. Environmental Matters

Numerous federal, state and local environmental laws and regulations affect Utilities' facilities and operations. Utilities monitors its compliance with environmental laws and regulations on an ongoing basis. Additional detailed information may be found in the separately issued Utilities financial statements.

E. Passenger Facility Charges

The Federal Aviation Administration (FAA) has approved previously filed applications of the Airport for the right to impose passenger facility charges (PFCs) on enplaned passengers at the Airport. PFC revenue is required to be used to fund FAA-approved capital projects eligible under federal legislation permitting the imposition of PFCs. The approved Airport projects include certain completed and ongoing projects such as runway and taxiway rehabilitations, security enhancements, roadway upgrades, and drainage improvements. GASB 34 requires PFCs be recognized when earned, not when received. Unspent PFC revenue is recorded in the financial statements as restricted cash and restricted net position.

F. Customer Facility Charges

The Airport has established a Rental Car Company Customer Facility Charge Policy, in accordance with the rental car concession agreements. In 2018, the Airport entered into a new agreement that extends the collection of customer facility charges (CFCs) at the $2.50 rate until December 31, 2028. Any increase in this rate will be based on the projected costs of anticipated capital projects outlined in the policy.

G. Joint Venture - Utilities

Utilities has an equity interest in Young Gas Storage Company, Ltd. (Young) of 5%. Young is a Colorado limited partnership organized on June 30, 1993, to develop and operate a natural gas storage system near Fort Morgan, Colorado. Young's natural gas storage system consists of 38 natural gas storage facility wells, a 6,000 horsepower compressor station, a natural gas processing plant, eleven miles of 20-inch transmission line and four miles of storage gathering line.

The net investment in the joint venture reported on the Statement of Net Position as of December 31, 2021 is (in 000's):

Entity	Amount Invested	Undistributed Net Earnings	Utilities' Investment
Young Gas Storage Company Ltd.	$ 500	$ 325	$ 825

H. Retirement Plans

The City's former or current non-uniformed and uniformed (firefighters and police officers) employees are eligible to participate in one of six defined benefit pension plans. Non-uniformed employees participate in the Public Employees' Retirement Association of Colorado (PERA) and uniformed employees participate in one of five plans administered by the Fire and Police Pension Association (FPPA). More detailed notes regarding each plan follows. Below is a table that summarizes the net pension liabilities, net pension asset, deferred outflows and inflows of resources, and pension expenses associated with each of the plans (in 000's).

	Net Pension Liability	Net Pension Asset	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense
GOVERNMENTAL ACTIVITIES					
PERA	$ 57,004	$ —	$ 29,175	$ 61,646	$ 7,382
Old Hire Fire	33,671	—	3,077	3,104	1,442
Old Hire Police	23,349	—	2,120	2,651	897
New Hire Fire	28,488	—	5,786	11,329	4,907
New Hire Police	37,802	—	14,580	26,426	8,518
FPPA Statewide	—	(18,756)	30,396	22,600	4,767
Total governmental activities	180,314	(18,756)	85,134	127,756	27,913
BUSINESS-TYPE ACTIVITIES					
PERA	132,001	—	64,205	144,278	10,653
Old Hire Fire	—	—	—	—	—
Old Hire Police	—	—	—	—	—
New Hire Fire	—	—	—	—	—
New Hire Police	834	—	162	583	119
FPPA Statewide	—	(35)	62	70	5
Total business-type activities	132,835	(35)	64,429	144,931	10,777
TOTAL					
PERA	189,005	—	93,380	205,924	18,035
Old Hire Fire	33,671	—	3,077	3,104	1,442
Old Hire Police	23,349	—	2,120	2,651	897
New Hire Fire	28,488	—	5,786	11,329	4,907
New Hire Police	38,636	—	14,742	27,009	8,637
FPPA Statewide	—	(18,791)	30,458	22,670	4,772
Total	$ 313,149	$ (18,791)	$ 149,563	$ 272,687	$ 38,690

Note: Immaterial differences may occur due to rounding.

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1. Non-Uniformed Employees

Defined Benefit Pension Plan

Plan Description: The City participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by PERA. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/ deductions from the fiduciary net position of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Title 24, Article 51, of the Colorado Revised Statutes (CRS), as amended, assigns the authority to establish benefit provisions to the State Legislature.

The Colorado General Assembly passed significant pension reform through Senate Bill (SB) 18-200: Concerning Modifications To the Public Employees' Retirement Association Hybrid Defined Benefit Plan Necessary to Eliminate with a High Probability the Unfunded Liability of the Plan Within the Next Thirty Years. The bill was signed into law by Governor Hickenlooper on June 4, 2018. SB 18-200 makes changes to certain benefit provisions.

PERA issues a publicly available annual financial report that includes financial statements and required supplementary information for LGDTF. That report may be obtained online at:

https://www.copera.org/files/d44458867/5-20-20.pdf

or by writing to:

Colorado PERA
1301 Pennsylvania Street
Denver, Colorado 80203

or by calling PERA at 303-832-9550 or 1-800-759-PERA (7372).

All City employees, except uniformed police and fire, are members of the LGDTF. However, the Mayor, direct reports of the Mayor, and elected officials of the City may elect to be exempt from membership in PERA. The LGDTF of PERA provides retirement, disability, and survivor benefits. Retirement benefits are determined by the amount of service credit earned and/or purchased, highest average salary, the benefit structure(s) under which the member retires, the benefit option selected at retirement, and age at retirement. Retirement eligibility is specified in tables set forth at CRS § 24-51-602, 604, 1713, and 1714.

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

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

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

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

On an annual basis, eligible recipients who elect to receive a lifetime retirement benefit are generally eligible to receive post-retirement cost-of-living adjustments, referred to as annual increases (AI) in the CRS, once certain criteria are met. Pursuant to SB 18-200, eligible benefit recipients who began eligible employment before January 1, 2007 and all eligible benefit recipients of the DPS benefit structure will receive an annual increase of 1.25% unless adjusted by the automatic adjustment provision (AAP) pursuant to CRS § 24-51-413. Benefit recipients under the PERA benefit structure who began eligible employment on or after January 1, 2007 will receive the lessor of an annual increase of 1.25% or the average of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned annual increase by up to 0.25% based on the parameters specified in CRS § 24-51-413.

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

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

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

The City and its eligible employees are required to contribute to the LGDTF at a rate set by Colorado state statutes. The contribution requirements are established under CRS § 24-51-401, et seq and § 24-51-413. Colorado State law provisions may be amended from time to time by the Colorado General Assembly.

The employee contribution requirements are summarized in the table below:

	January 1, 2020 Through June 30, 2020 Rate (%)[1]	July 1, 2020 Through December 31, 2020 Rate (%)[1]	January 1, 2021 Through December 31, 2021 Rate (%)[1]
Employee contribution rate	8.00%	8.50%	8.50%

[1]Contribution rates for the LGDTF are expressed as a % of salary as defined in CRS § 24-51-101(42).

The employer contribution requirements are summarized in the table below:

	January 1, 2020 Through June 30, 2020 Rate (%)[1]	July 1, 2020 Through December 31, 2020 Rate (%)[1]	January 1, 2021 Through December 31, 2021 Rate (%)[1]
Employer contribution rate	10.00	10.50	10.50
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in CRS § 24-51-208(1)(f)	(1.02)	(1.02)	(1.02)
Amount apportioned to the LGDTF	8.98	9.48	9.48
Amortization Equalization Disbursement (AED) as specified in CRS § 24-51-411	2.20	2.20	2.20
Supplemental Amortization Equalization Disbursement (SAED) as specified in CRS § 24-51-411	1.50	1.50	1.50
Defined Contribution Supplement as specified in CRS § 24-51-415	N/A	N/A	0.02
Total employer contribution rate to the LGDTF	12.68	13.18	13.20

[1]Rates are expressed as a % of salary as defined in CRS § 24-51-101(42).

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City were $36,484,054 for the year ended December 31, 2021.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2021, the City reported a liability of $189,005,146 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019 and rolled forward to December 31, 2020 using standard roll-forward techniques. The City's proportion of the net pension liability was based on the City's contributions to the LGDTF for the calendar year 2020 relative to the total contributions of participating employers to the LGDTF.

At December 31, 2020, the City's proportion was 36.2685%, which was an increase of 0.0477% from its proportion measured as of December 31, 2019.

The City and Utilities report contributions to the LGDTF independent of each other; therefore all pension related amounts, including net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, are allocated from the LGDTF independently. The City allocates its portion of the LGDTF between governmental activities and business-type activities, except Utilities, based on contributions. This allocation for the year-ended December 31, 2021 (a December 31, 2020 measurement date) was 85.5590% and 14.4410% between the governmental activities and business-type activities respectively. This allocation is an increase from the prior year in the governmental activities of 0.2775% and a corresponding decrease in the business-type activities. It is important to note, amounts presented in this disclosure footnote include both City and Utilities amounts combined.

For the year ended December 31, 2021 the City's pension expense related to the PERA LGDTF was $18,034,347.

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 9,138,262	$ —
Net difference between projected and actual earnings on pension plan investments	—	204,397,407
Changes of assumptions and other inputs	45,675,073	—
Changes in proportion	2,082,582	1,527,158
Contributions subsequent to the measurement date	36,484,054	—
Total	$ 93,379,971	$ 205,924,565

The $36,484,054 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022.

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

Year Ended December 31,	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Investments	Changes of Assumptions or Other Inputs	Net Changes in Proportion	Net Effect of Amortized Deferred Amounts on Pension Expense
2022	$ 7,618,579	$ (65,978,888)	$ 35,134,365	$ 459,410	$ (22,766,534)
2023	1,519,683	(36,873,070)	10,540,708	96,014	(24,716,665)
2024	—	(69,287,119)	—	—	(69,287,119)
2025	—	(32,258,330)	—	—	(32,258,330)
Total	$ 9,138,262	$ (204,397,407)	$ 45,675,073	$ 555,424	$ (149,028,648)

The differences between expected and actual experience, changes of assumptions as well as the City's change in their proportion are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. The LGDTF determined the average expected remaining service lives for active and inactive members at the beginning of the 2020 measurement period to be 2.30 years. The difference between expected and actual investment experience is amortized over a closed five-year period.

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

	Rate (%)
Actuarial cost method	Entry age
Price inflation	2.40
Real wage growth	1.10
Wage inflation	3.50
Salary increase, including wage inflation	3.50 - 10.45
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25
Future post-retirement benefit increases:	
PERA benefit structure hire prior to 1/1/07[1]	1.25 compounded annually thereafter
PERA benefit structure hired after 12/31/06 (ad hoc, substantively automatic)[1]	Financed by the Annual Increase Reserve (AIR)

[1] Post-retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

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

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

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

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

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

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

Based on the 2020 experience analysis, dated October 28, 2020, for the period January 1, 2016, through December 31, 2019, revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020, and were effective as of December 31, 2020.

The assumptions shown below were reflected in the roll forward calculation of the total pension liability from December 31, 2019, to December 31, 2020.

	Rate (%)
Actuarial cost method	Entry age
Price inflation	2.40
Real wage growth	1.10
Wage inflation	3.50
Salary increases, including wage inflation	3.50-10.45
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25
Discount rate	7.25
Post-retirement benefit increases:	
PERA benefit structure hired prior to 01/01/07	1.25
PERA benefit structure hired prior to 12/31/06[1]	Financed by the AIR

[1] Post retirement benefit increases are provided by the AIR, accounted separately within each Division Trust Fund, and subject to moneys being available; therefore, liabilities related to increases for members of these benefit tiers can never exceed available assets.

Salary scale assumptions were revised to align with revised economic assumptions and to more closely reflect actual experience.

Rates of termination/withdrawal, retirement, and disability were revised to more closely reflect actual experience.

Pre-retirement mortality assumptions were based upon PubG-2010 Employee Table with generational projection using scale MP-2019

Post-retirement non-disabled mortality assumptions for members were based upon the PubG-2010 Healthy Retiree table, adjusted as follows:

- Males: 94% of the rates prior to age 80 and 90% of the rates for ages 80 and older, with generational projection using scale MP-2019.
- Females: 87% of the rates prior to age 80 and 107% of the rates for ages 80 and older, with generational projection using MP-2019.

Post-retirement non-disabled beneficiary mortality assumptions were based upon the Pub-2010 Contingent Survivor Table, adjusted as follows:

- Males: 97% of the rates for all ages, with generational projection using scale MP-2019.
- Females: 105% of the rates for all ages, with generational projection using scale MP-2019.

Disabled mortality assumptions were based upon the Pub-NS-2010 Disabled Retiree Table using 99.0% of the rates for all ages with generational projection using scale MP-2019.

The mortality tables described above are generational mortality tables on a benefit-weighted basis.

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

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

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

The PERA Board first adopted the 7.25% long-term expected rate of return as of November 18, 2016. Following an asset/liability study, the Board reaffirmed the assumed rate of return at the Board's November 15, 2019 meeting, to be effective January 1, 2020. As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

Asset Class	Target Allocation (%)	30 Year Expected Geometric Real Rate of Return (%)
Global equity	54.00	5.60
Fixed income	23.00	1.30
Private equity	8.50	7.10
Real estate	8.50	4.40
Alternatives[1]	6.00	4.70
Total	100.00	

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

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

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan

members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00%.

- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the scheduled increase in SB 18-200. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.

- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including scheduled increase in SB 18-200. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point, the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.

- The AIR balance was excluded from the initial fiduciary net position, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the fiduciary net position and the subsequent AIR benefit payments were estimated and included in the projections.

- Benefit payments and contributions were assumed to be made at the middle of the year.

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

Sensitivity of Proportionate Share of Net Pension Liability to Changes in the Discount Rate: The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
City's proportionate share of net pension liability/(asset)	$ 435,391,860	$ 189,005,146	$ (16,696,195)

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERA LGDTF financial reports found at:

https://www.copera.org/files/d44458867/5-20-20.pdf

Defined Contribution Plans

City employees, depending upon their position in the City as noted in the plan descriptions below, have access to up to four defined contribution plans: PERA 401(k), Mission Square Retirement 457 (formerly ICMA 457), ICMA 401(a), and PERA Defined Contribution.

PERA 401(k) Plan Description: The LGDTF members of the City may voluntarily contribute to the Voluntary Investment Program (401(k) Plan), an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Contributions are separate from others made to PERA. Title 24, Article 51, Part 14, of the CRS, as amended, assigns the authority to establish the 401(k) Plan provisions to the PERA Board of Trustees. PERA issues a publicly available annual report which includes additional information on the Voluntary Investment Program, which can be obtained at www.copera.org/investments/pera-financial-reports.

PERA 401(k) Funding Policy: The 401(k) Plan is funded by voluntary member contributions of up to a maximum limit set by the IRS ($19,500 annually for 2021 calendar year). There is a catch-up provision that allows participants 50 and older who are contributing the maximum to contribute an additional $6,500 annually to their accounts. The City does not contribute to the PERA 401(k) plan.

Mission Square Retirement 457 (formerly ICMA 457) Plan Description: Per authority of a City Council Resolution, employees of the City may also voluntarily contribute to a Mission Square Retirement 457 Plan, an Internal Revenue Code of 1986 section 457. The plan is administered by Mission Square Retirement and the Vantage Trust Company.

Mission Square Retirement 457 (formerly ICMA 457) Funding Policy: The Mission Square Retirement 457 plan is funded by voluntary member contributions of up to a maximum limit set by the IRS ($19,500 annually for 2021 calendar year). In addition, employees are eligible to contribute an additional $6,500 annually if they are age 50 or older. There is an additional "pre-retirement" catch-up provision that allows employees to double their 457 contributions by funding an additional $19,500 if they are within three years of retirement. The City does not contribute to the Mission Square Retirement 457 plan.

Mission Square Retirement 401(a) (formerly ICMA 401(a)) Plan Description: Per Title 24, Article 51 of CRS, as amended, the City and Utilities provide, to certain employees, the option to make a one-time irrevocable election to participate in a Mission Square Retirement 401(a), a defined contribution plan, administered by Mission Square Retirement, in lieu of participation in Colorado PERA.

Mission Square Retirement 401(a) (formerly ICMA 401(a)) Funding Policy: The City contributes to the Mission Square Retirement 401(a) at a rate of 10.0% of covered salary. The City's contribution to the Mission Square Retirement 401(a) for the year ending December 31, 2021 was $11,334.

PERA Defined Contribution (PERA DC) Plan Description: Certain City employees hired after December 31, 2018 can elect to participate in Colorado PERA's defined contribution plan in lieu of participating in the defined benefit plan. The PERA DC Plan is an Internal Revenue Code Section 401(a) governmental profit-sharing defined contribution plan. Title 24, Article 51, Part 15 of the CRS, as amended, assigns the authority to establish Plan provisions to the PERA Board of Trustees. Per Title 24, Article 51 of CRS, as amended, employees have 60 calendar days from their date of hire to make a choice between the defined benefit plan and the defined contribution plan. If they do not make an active choice in the 60 days, they automatically are

enrolled in the PERA defined benefit plan. Additionally, effective January 1, 2019, employees will have a one-time option of switching between the PERA defined benefit and the defined contribution plans between years two and five of participation in PERA.

PERA Defined Contribution Funding Policy: All participating employees in the PERA DC Plan and the the City are required to contribute a percentage of the participating employees' PERA-includable salary to the PERA DC Plan. The employee and employer contribution rates are summarized in the tables below:

	January 1, 2020 Through June 30, 2020 Rate (%)	July 1, 2020 Through December 31, 2020 Rate (%)	January 1, 2021 Through December 31, 2021 Rate (%)
Employee contribution rates	8.00	8.50	8.50
Employer contribution rates (on behalf of participating employees)	10.00	10.00	10.00

Additionally the employers are required to contribute AED and SAED to the LGDTF as follows:

	January 1, 2020 Through June 30, 2020 Rate (%)[1]	July 1, 2020 Through December 31, 2020 Rate (%)[1]	January 1, 2021 Through December 31, 2021 Rate (%)[1]
Amortization Equalization Disbursement (AED) as specified in CRS § 24-51-411	2.20	2.20	2.20
Supplemental Amortization Equalization Disbursement (SAED) as specified in CRS § 24-51-411	1.50	1.50	1.50
Automatic Adjustment Provision (AAP) as specified in CRS § 24-51-413	N/A	0.50	0.50
Defined Contribution Supplement as specified in CRS § 24-51-415	N/A	N/A	0.02
Total employer contribution rate to the LGDTF	3.70	4.20	4.22

[1]Contribution rates for the DC Plan are expressed as a percentage of salary as defined in CRS § 24-51-101(42).

Contribution requirements are established under Title 24, Article 51, Section 1505 of the CRS, as amended. Participating employees of the PERA DC Plan are immediately vested in their own contributions and investment earnings and are immediately 50% vested in the amount of employer contributions made on their behalf. For each full year of participation, vesting of employer contributions increases by 10%. Forfeitures are used to pay expenses of the PERA DC Plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the CRS. As a result, forfeitures do not reduce pension expense. The City's contribution to the PERA DC Plan for the year ending December 31, 2021 was $39,684.

2. Uniformed Employees

Defined Benefit Plans

City firefighters and police officers participate in one of five different defined benefit pension plans. Membership in the various plans is dependent upon the classification of the employee (fire or police) and the start date of the employee. The five plans, administered by the FPPA, are the Old Hire Fire Pension Plan, Old Hire Police Pension Plan, New Hire Fire Pension Plan, New Hire Police Pension Plan and the Statewide Defined Benefit Plan. FPPA uses the accrual basis of accounting. The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position and additions to/deductions from the fiduciary net position were calculated using this basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. FPPA issues a publicly available financial report that includes financial statements and required supplementary information for FPPA. That report may be obtained online at:

https://www.fppaco.org/PDF/annual-reports/2020-Annual-Report-FPPA.pdf

or by calling FPPA at (303) 770-3772 or by writing to:

Fire and Police Pension Association of Colorado
5290 DTC Parkway, Suite 100
Greenwood Village, CO 80111-2721

The following information regarding the discount rate applies to all five plans with the FPPA.

Discount Rate: 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 for each major asset class included in the plan's target asset allocation as of December 31, 2020 are below:

Old Hire Fire Pension Plan and Old Hire Police Pension Plan:

Asset Class	Target Allocation (%)	Long-term Expected Nominal Rate of Return (%)
Global equity	17.00	7.80
Equity long/short	6.00	6.90
Private capital	27.00	10.50
Fixed income rates	33.00	2.30
Fixed income credit	6.00	3.50
Absolute return	6.00	5.60
Cash	5.00	0.10
Total	100.00	

New Hire Fire Pension Plan, New Hire Police Pension Plan and the Statewide Defined Benefit Plan:

Asset Class	Target Allocation (%)	Long-term Expected Rate of Return (%)[1]
Global equity	39.00	8.23
Equity long/short	8.00	6.87
Private capital	26.00	10.63
Fixed income rates	10.00	4.01
Fixed income credit	5.00	5.25
Absolute return	10.00	5.60
Cash	2.00	2.32
Total	100.00	

[1]Nominal rate of return for New Hire plans and real rate of return for Statewide plan

The discount rate used to measure the total pension liability for the New Hire and Statewide plans was 7.00%, while the discount rate used for the Old Hire plans was 6.50%. The projection of cash flows used to determine the discount rate assumed that contributions from the City will be made based on actuarially determined rates based on the Board's funding policy. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all the projected future payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate determination does not use the Municipal Bond Index Rate.

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial reports found at:

https://www.fppaco.org/PDF/annual-reports/2020-Annual-Report-FPPA.pdf

Old Hire Defined Benefit Pension Plans

Plan Description: The Old Hire Pension Plans, defined benefit pension plans, are part of the Public Employee Retirement System administered by the Fire and Police Pension Association of Colorado (FPPA). There are 215 local plans associated with the FPPA Affiliated Local Plans. The Affiliated Local Plans at FPPA represent the assets of numerous separate plans that have elected to affiliate with FPPA for plan administration and investment only. Each plan has a separate plan document and actuarial valuation and is governed by its own local pension board which has the authority to amend the plan benefits, such as cost of living increases. Funding for the Old Hire Pension Plans is the sole obligation of the City.

The Old Hire Pension Plans are for sworn fire and police employees hired before April 8, 1978. These single-employer plans are closed to new employees. Any amendments to the benefit-related provisions of the Old Hire plans may be made by the Old Hire Pension Boards.

The City has elected to op-out of the current Colorado law limiting annual benefit increases to 3% for benefits earned after January 1, 1980 known as the limited rank escalation. Instead, benefit increases are linked to pay increases for the active duty rank the member occupied on the date of retirement.

Actuarial Assumptions: The following actuarial assumptions apply to both of the Old Hire Pension Plans.

The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Rate (%)
Wage inflation	2.50
Long-term investment rate of return, net pension plan investment expenses, including price inflation	6.50

Mortality rates were based on the RP-2014 Mortality Tables projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the sale for all years.

Following an experience study in 2018 and asset allocation study in 2018-2019, the Board adopted a new assumption set for first use in the December 31, 2019 valuations. The assumptions changes are incorporated into the total pension liability as of December 31, 2020.

The complete assumption set can be found in the actuarial valuation report as of December 31, 2020.

The assumptions that are based upon the actuary's recommendations are internally consistent and reasonable based on the actual past experience of the plan.

Old Hire Fire Defined Benefit Pension Plan

The benefit recipients and members of the Old Hire Fire Pension Plan as of December 31, 2020 are as follows:

Retirees and beneficiaries	174

There are no active or inactive, non-retired members in the plan.

Contributions to the plan are based on biennially completed actuarial valuations of the plan. The contributions for year ended December 31, 2021 were based on the actuarial valuation as of January 1, 2020. The annual required contribution is the sum of the normal cost of the plan and the amortization of the unfunded actuarially determined liability. Employer contributions recognized by the Old Hire Fire Pension Plan from the City were $3,076,512 for the year ended December 31, 2021.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2021, the City reported a liability of $33,671,428 for the Old Hire Fire Pension Plan net pension liability. The net pension liability

was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020.

For the year ended December 31, 2021, the City's pension expense related to the Old Hire Fire Pension Plan was $1,441,604.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the Old Hire Fire Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ —	$ 3,103,640
Contributions subsequent to the measurement date	3,076,512	—
Total	$ 3,076,512	$ 3,103,640

The $3,076,512 reported as deferred outflows of resources related to pensions, resulting from contributions made subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Difference Between Projected and Actual Earnings on Investments	Net Effect of Amortized Deferred Amounts on Pension Expense
2022	$ (1,183,327)	$ (1,183,327)
2023	(181,650)	(181,650)
2024	(1,234,326)	(1,234,326)
2025	(504,337)	(504,337)
Total	$ (3,103,640)	$ (3,103,640)

Per GASB Statement No. 68, the difference between expected and actual investment experience is amortized over a closed five year period.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the City's net pension liability calculated using the discount rate of 6.50%, as well as what the net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
City's net pension liability	$ 42,744,721	$ 33,671,428	$ 25,801,473

Below is a schedule of changes in the net pension liability for the Old Hire Fire Pension Plan for year ended December 31, 2021, with a measurement date of December 31, 2020:

Total pension liability (TPL) - beginning of year	$	107,110,925
Service cost		—
Interest on the TPL		6,672,051
Benefit changes		—
Differences between expected and actual experience of the TPL		—
Changes of assumptions or other inputs		—
Benefit payments, including refunds of employee contributions		(9,070,783)
Net change in TPL		(2,398,732)
Total pension liability - end of year		104,712,193
Plan fiduciary net position (FNP) - beginning of year		70,910,402
Employer contributions		2,328,416
Employee contributions		—
Net investment income		6,913,872
Benefit payments, including refunds of employee contributions		(9,070,783)
Pension plan administrative expense		(41,142)
Net change in FNP		130,363
Plan fiduciary net position - end of year		71,040,765
Net pension liability	$	33,671,428
Plan fiduciary net position as a percentage of the total pension liability		67.84 %
Covered payroll	$	—
Net pension liability as a percentage of covered payroll		N/A

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Old Hire Police Defined Benefit Pension Plan

The benefit recipients and members of the Old Hire Police Pension Plan as of December 31, 2020 are as follows:

Retirees and beneficiaries 136

There are no active or inactive, non-retired members in the plan.

Contributions to the plan are based on biennially completed actuarial valuations of the plan. The contributions for year ended December 31, 2021 were based on the actuarial valuation as of January 1, 2020. The annual required contribution is the sum of the normal cost of the plan and the amortization of the unfunded actuarially determined liability. Employer contributions recognized by the Old Hire Police Pension Plan from the City were $2,120,342 for the year ended December 31, 2021.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2021, the City reported a liability of $23,348,886 for the Old Hire Police Pension Plan net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020.

For the year ended December 31, 2021, the City's pension expense related to the Old Hire Police Pension Plan was $896,995.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the Old Hire Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ —	$ 2,650,639
Contributions subsequent to the measurement date	2,120,342	—
Total	$ 2,120,342	$ 2,650,639

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The $2,120,342 reported as deferred outflows of resources related to pensions, resulting from contributions made subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Net Difference Between Projected and Actual Earnings on Investments	Net Effect of Amortized Deferred Amounts on Pension Expense
2022	$ (1,005,773)	$ (1,005,773)
2023	(159,665)	(159,665)
2024	(1,050,778)	(1,050,778)
2025	(434,423)	(434,423)
Total	$ (2,650,639)	$ (2,650,639)

Per GASB Statement No. 68 the difference between projected and actual investment experience is amortized over a closed five year period.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents net pension liability calculated using the discount rate of 6.50%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 5.50%	Current Discount Rate 6.50%	1% Increase 7.50%
City's net pension liability	$ 30,972,411	$ 23,348,886	$ 16,774,337

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Below is a schedule of changes in the net pension liability for the Old Hire Police Pension Plan for year ended December 31, 2021, with a measurement date of December 31, 2020:

Total pension liability (TPL) - beginning of year	$	86,010,185
Service cost		—
Interest on the TPL		5,365,252
Benefit changes		—
Differences between expected and actual experience of the TPL		—
Changes of assumptions or other inputs		—
Benefit payments, including refunds of employee contributions		(7,046,616)
Net change in TPL		(1,681,364)
Total pension liability - end of year		84,328,821
Plan fiduciary net position (FNP) - beginning of year		60,285,047
Employer contributions		1,850,964
Employee contributions		—
Net investment income		5,923,388
Benefit payments, including refunds of employee contributions		(7,046,616)
Pension plan administrative expense		(32,848)
Net change in FNP		694,888
Plan fiduciary net position - end of year		60,979,935
Net pension liability	$	23,348,886
Plan fiduciary net position as a percentage of the total pension liability		72.31 %
Covered payroll	$	—
Net pension liability as a percentage of covered payroll		N/A

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New Hire Defined Benefit Pension Plans

Plan Description: The New Hire Pension Plans are single-employer defined benefit plans administered by the Fire and Police Pension Association of Colorado (FPPA). Effective October 1, 2006, the New Hire Pension Plans were incorporated into the Defined Benefit System by the FPPA Board pursuant to provisions of CRS 31-31-706(2)(a). Assets of the New Hire Pension Plans are held in trust with the FPPA Board acting as trustee. As trustee, FPPA collects, invests, administers and disburses monies related to the Defined Benefit Pension Plan.

The New Hire Pension Plans are for sworn fire and police employees hired after April 8, 1978 but before October 1, 2006. These plans are closed to new employees. Any amendments to the benefit-related provisions of the New Hire Pension Plans may be made by the FPPA Board, with the consent of the City, only upon approval of at least 65% of the then active members in the plan. In 2007 and 2011, members in the New Hire Pension Plans were allowed to make a one-time irrevocable election to switch from the New Hire Pension Plans to the Statewide Defined Benefit Pension Plan effective January 1, 2008 and January 1, 2012, respectively.

New Hire Pension Plan - Fire Component

Members in the New Hire Pension Plan - Fire Component (New Hire Fire Pension Plan) may be eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service. Members who elect to retire on or after their normal retirement date shall be eligible for a monthly pension equal to 2% of final average salary (past 39 payroll periods) for each year of service for the first 10 years, plus 2.85% of the final average salary for each year of service in excess of 10 years. The maximum monthly pension is 77% and is earned upon completing 30 years of service. A member is eligible for an early retirement benefit after completion of 20 years of service and attainment of age 50. The early retirement benefit is reduced by 4.615% for each year that the member is less than age 55.

Cost-of-living adjustments begin on October 1 immediately before the retiree turns 65 or 10 years after benefits payment commence, whichever is earlier. The COLA increase reflects increases in the consumer price index but in no case can the increase be more than 3% for any one year.

Upon termination, a member may elect to have all contributions, along with 5% per annum, as interest, returned as a lump sum distribution. Alternatively, a member with at least 10 years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 55 equal to 2% of the member's final average salary for each year of credited service for the first 10 years, plus 2.85% of final average salary for each year of credited service in excess of 10 years not to exceed 77%.

The benefit recipients and members of the New Hire Fire Pension Plan as of December 31, 2020 are as follows:

Retirees and beneficiaries	182
Inactive, non-retired members	8
Active members	86

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members within the plan as determined by the actuarial study. The City's contribution rate shall never drop below the employee rate as set by the Board of the Fire and

Police Pension Association. Eligible employees are required to contribute 10% of their FPPA-includable salary. For 2021, the City's employer contribution rate was set at 25%. Employer contributions recognized by the New Hire Fire Pension Plan from the City were $5,111,063 for the year ended December 31, 2021.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2021, the City reported a liability of $28,488,015 for the New Hire Fire Pension Plan net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020.

For the year ended December 31, 2021, the City's pension expense related to the New Hire Fire Pension Plan was $4,907,287.

At December 31, 2021 the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the New Hire Fire Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 674,607	$ —
Net difference between projected and actual earnings on pension plan investments	—	11,329,298
Contributions subsequent to the measurement date	5,111,063	—
Total	$ 5,785,670	$ 11,329,298

The $5,111,063 reported as deferred outflows of resources related to pensions, resulting from contributions made subsequent to the measurement date, will be recognized as a reduction to the net pension liability in the year ended December 31, 2022.

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

Year Ended December 31,	Differences Between Expected and Actual Experience	Net Difference Between Projected and Actual Earnings on Investments	Net Effect of Amortized Deferred Amounts on Pension Expense
2022	$ 672,233	$ (3,720,707)	$ (3,048,474)
2023	2,374	(1,907,565)	(1,905,191)
2024	—	(3,865,263)	(3,865,263)
2025	—	(1,835,763)	(1,835,763)
Total	$ 674,607	$ (11,329,298)	$ (10,654,691)

The differences between expected and actual experience as well as changes of assumptions are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. FPPA determined the average expected remaining service lives for active and inactive members at the beginning of the 2020 measurement period to be 2.0153 years. The difference between expected and actual investment experience is amortized over a closed five-year period.

Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Rate (%)
Wage inflation	2.50
Salary increase, including wage inflation	4.25 - 11.25
Cost of living	2.50
Long-term investment rate of return, net pension plan investment expenses, including price inflation	7.00

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projections scales, and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to the 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

The assumptions that are based upon the actuary's recommendations are internally consistent and reasonable based on the actual past experience of the plan.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents the City's net pension liability calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's net pension liability	$ 54,798,494	$ 28,488,015	$ 6,837,243

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Below is a schedule of changes in the net pension liability for the New Hire Fire Pension Plan for year ended December 31, 2021, with a measurement date of December 31, 2020:

Total pension liability (TPL) - beginning of year	$	191,759,280
Service cost		1,966,951
Interest on the TPL		13,173,456
Benefit changes		—
Differences between expected and actual experience of the TPL		312,764
Changes of assumptions or other inputs		—
Benefit payments, including refunds of employee contributions		(9,101,060)
Net change in TPL		6,352,111
Total pension liability - end of year		198,111,391
Plan fiduciary net position (FNP) - beginning of year		154,007,661
Employer contributions		4,000,147
Employee contributions		976,570
Net investment income		19,812,461
Benefit payments, including refunds of employee contributions		(9,101,060)
Pension plan administrative expense		(72,403)
Net change in FNP		15,615,715
Plan fiduciary net position - end of year		169,623,376
Net pension liability	$	28,488,015
Plan fiduciary net position as a percentage of the total pension liability		85.62 %
Covered payroll	$	9,765,687
Net pension liability as a percentage of covered payroll		291.72 %

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New Hire Pension Plan - Police Component

Members in the New Hire Pension Plan - Police Component (New Hire Police Pension Plan) may be eligible for a normal retirement pension at any time after age 50, if the member has at least 25 years of service. The annual normal pension equals 2% of the member's final average salary (for the past 39 payroll periods) for each full year of credited service up to ten years plus 2.75% for each full year thereafter with a maximum benefit of 75%. A member is eligible for an early retirement benefit after completion of 20 years of service and attainment of age 45. The early retirement benefit is reduced by 7.5% for each year that the member is less than age 50.

Cost-of-living adjustments begin on October 1 immediately before the retiree turns 60 or 10 years after benefits payment commence, whichever is earlier. The COLA increase reflects increases in the consumer price index but in no case can the increase be more than 3% for any one year.

Upon termination, a member may elect to have all contributions, along with 5% per annum, as interest, returned as a lump sum distribution. Alternatively, a member with at least 10 years of accredited service may leave contributions with the Plan and remain eligible for a retirement pension at age 50 equal to 2% of the member's final average salary (for the past 39 payroll periods) for each full year of credited service up to ten years plus 2.75% for each full year thereafter with a maximum benefit of 75%.

The benefit recipients and members of the New Hire Police Pension Plan as of December 31, 2020 are as follows:

Retirees and beneficiaries	349
Inactive, non-retired members	25
Active members	228

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members within the plan as determined by the actuarial study. The City's contribution rate shall never drop below the employee rate as set by the Board of the Fire and Police Pension Association. Eligible employees are required to contribute 8% of their FPPA-includable salary. For 2021, the City's employer contribution rate was set at 25%. Employer contributions recognized by the New Hire Police Pension Plan from the City were $10,530,459 for the year ended December 31, 2021.

The Plan is allocated between the governmental activities and the business-type activities based on contributions. The allocation for the year ended December 31, 2021 (a December 31, 2020 measurement date) was 98.5925% and 1.4075% between the governmental activities and the business-type activities respectively. This is an increase from the prior year in the governmental activities of 0.9311% and a corresponding decrease in the business-type activities.

Net Pension Liability, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2021, the City reported a liability of $38,635,733 for the New Hire Police Pension Plan net pension liability. The net pension liability was measured as of December 31, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2020.

For the year ended December 31, 2021, the City's pension expense related to the New Hire Police Pension Plan was $8,637,082.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the New Hire Police Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,770,560	$ 1,072,183
Changes of assumptions or other inputs	1,440,415	—
Net difference between projected and actual earnings on pension plan investments	—	25,936,947
Contributions subsequent to the measurement date	10,530,459	—
Total	$ 14,741,434	$ 27,009,130

The $10,530,459 reported as deferred outflows of resources related to pensions, resulting from contributions made subsequent to the measurement date, will be recognized as a reduction to the net pension liability in the year ended December 31, 2022.

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

Year Ended December 31,	Difference Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Net Difference Between Projected and Actual Earnings on Investments	Net Effect of Amortized Deferred Amounts on Pension Expense
2022	$ 1,971,497	$ 1,440,415	$ (8,441,061)	$ (5,029,149)
2023	(273,120)	—	(4,432,595)	(4,705,715)
2024	—	—	(8,822,431)	(8,822,431)
2025	—	—	(4,240,860)	(4,240,860)
Total	$ 1,698,377	$ 1,440,415	$ (25,936,947)	$ (22,798,155)

The differences between expected and actual experience as well as changes of assumptions are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. FPPA determined the average expected remaining service lives for active and inactive members at the beginning of the 2020 measurement period to be 2.3418 years. The difference between projected and actual investment experience is amortized over a closed five-year period.

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Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Rate (%)
Wage inflation	2.50
Salary increase, including wage inflation	4.25 - 11.25
Cost of living	2.50
Long-term investments rate of return, net pension plan investment expenses, including price inflation	7.00

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projections scales, and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to the 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

The assumptions that are based upon the actuary's recommendations are internally consistent and reasonable based on the actual past experience of the plan.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate: The following presents net pension liability calculated using the discount rate of 7.00%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's net pension liability	$ 99,633,650	$ 38,635,733	$ (10,977,355)

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Below is a schedule of changes in the net pension liability for the New Hire Police Pension Plan for year ended December 31, 2021, with a measurement date of December 31, 2020:

Total pension liability (TPL) - beginning of year	$	409,776,854
Service cost		5,741,905
Interest on the TPL		28,344,817
Benefit changes		—
Differences between expected and actual experience of the TPL		(1,871,246)
Changes of assumptions or other inputs		—
Benefit payments, including refunds of employee contributions		(15,443,692)
Net change in TPL		16,771,784
Total pension liability - end of year		426,548,638
Plan fiduciary net position (FNP) - beginning of year		349,383,584
Employer contributions		6,589,565
Employee contributions		2,105,304
Net investment income		45,419,986
Benefit payments, including refunds of employee contributions		(15,443,692)
Pension plan administrative expense		(141,842)
Net change in FNP		38,529,321
Plan fiduciary net position - end of year		387,912,905
Net pension liability	$	38,635,733
Plan fiduciary net position as a percentage of the total pension liability		90.94 %
Covered payroll	$	25,086,796
Net pension liability as a percentage of covered payroll		154.01 %

Statewide Defined Benefit Pension Plan

Plan Description: The Statewide Defined Benefit Plan is a cost-sharing multiple-employer defined benefit plan covering a substantial number of full-time employees of participating fire or police departments in the State of Colorado hired after April 8, 1978, provided that they are not already covered by a statutorily exempt plan. As of August 5, 2003, the Statewide Pension Plan may include clerical and other personnel from fire districts whose services are auxiliary to fire protection. The Statewide Pension Plan became effective January 1, 1980 and currently has 265 participating employer fire and police departments. Effective January 1, 1988, employers cannot withdraw from the plan per Colorado state statutes.

The Statewide Pension Plan is for City sworn fire and police employees hired after October 1, 2006. This plan is open to new employees. Any amendments to the benefit-related provisions of the Statewide Pension Plan may be made by the FPPA Board, only upon approval of at least 65% of the then active members in the plan with the exception of retirement age. Colorado state

statutes were amended to allow the FPPA Board to change the retirement age on an annual basis, depending upon the results of the actuarial valuation and other circumstances. The amended statutes state that retirement age should be no less than age 55 and no greater than age 60.

Members in the Statewide Pension Plan may be eligible for a normal retirement pension at any time after age 55, if the member has at least 25 years of service. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80). The annual normal pension equals 2% of the member's highest three years' base salary year of credited service up to ten years, plus 2.5% for each year of service thereafter. A member is eligible for an early retirement benefit after completion of 30 years of service and attainment of age 50. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

Cost-of-living adjustments begin in October annually. The COLA increase reflects increases in the consumer price index but in no case can the increase be more than 3% for any one year.

Upon termination, a member may elect to have all contributions, along with 5% per annum, 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% of the member's highest three years' base salary for each full year of credited service up to ten years plus 2.5% for each full year thereafter.

The Plan sets contribution rates at a level that enables all benefits to be fully funded at the retirement date of all members within the Plan as determined by the actuarial study. The contribution rates for this plan are set by state statute. Employer contribution rates can only be changed by amending state statute. Member contribution rates can be amended by state statute or by election of the membership. Effective January 1, 2021, contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members. In 2014, the members elected to increase the member contribution rate to the Plan beginning in 2015. Member contribution rates will increase by 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions are 8% and 8.5% in 2020 and 2021, respectively. Employer contributions will increase 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. In 2020, members of the SWDB plan and their employers are contributing at a rate of 11% and 8% respectively, of pensionable earnings for a total contribution rate of 19%. Employer contributions recognized by the Statewide Pension Plan from the City were $6,143,515 for the year ended December 31, 2021.

Net Pension Asset, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: As of December 31, 2021, the City reported an asset of $18,791,321 as its proportionate share of the Statewide Pension Plan net pension asset. The net pension asset was measured as of December 31, 2020, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2020. The City's proportion of the net pension asset was based on the City's contributions in relation to all participating employers in the plan.

At December 31, 2020, the City's proportion was 8.6556%, which was an increase of 0.5838% from its proportion measured as of December 31, 2019. The City allocates its portion of the Statewide Pension Plan between governmental activities and business-type activities, based on contributions. This allocation for the year-ended December 31, 2021 (a December 31,

2020 measurement date) was 99.8122% and 0.1878% between the governmental activities and business-type activities respectively. This allocation is an increase from the prior year in the governmental activities of 0.0245% and a corresponding decrease in the business-type activities.

For the year ended December 31, 2021, the City's pension expense related to the Statewide Pension Plan was $4,772,432.

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions for the Statewide Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 15,936,887	$ 74,741
Changes of assumptions or other inputs	7,992,231	—
Net difference between projected and actual earnings on pension plan investments	—	19,301,389
Changes in proportion	385,829	3,293,499
Contributions subsequent to the measurement date	6,143,515	—
Total	$ 30,458,462	$ 22,669,629

The $6,143,515 reported as deferred outflows of resources related to pensions, resulting from contributions made subsequent to the measurement date, will be recognized as a reduction in net pension liability in the year ended December 31, 2022. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31,	Differences Between Expected and Actual Experience	Changes of Assumptions or Other Inputs	Net Difference Between Projected and Actual Earnings on Investments	Net Changes in Proportion	Net Effect of Amortized Deferred Amounts on Pension Expense
2022	$ 1,726,417	$ 869,865	$ (4,825,347)	$ (410,666)	$ (2,639,731)
2023	1,726,417	869,865	(4,825,347)	(410,666)	(2,639,731)
2024	1,726,417	869,865	(4,825,347)	(410,666)	(2,639,731)
2025	1,726,417	869,865	(4,825,348)	(384,562)	(2,613,628)
2026	1,726,417	869,865	—	(336,277)	2,260,005
Thereafter	7,230,061	3,642,906	—	(954,833)	9,918,134
Total	$ 15,862,146	$ 7,992,231	$ (19,301,389)	$ (2,907,670)	$ 1,645,318

The differences between expected and actual experience, changes of assumptions as well as the City's change in their proportion are amortized over a closed period equal to the average expected remaining service lives of active and inactive members in the plan. FPPA determined the average expected remaining service lives for active and inactive members at the beginning of the 2020 measurement period to be 9.1879 years. The difference between projected and actual investment experience is amortized over a closed five-year period.

Actuarial Assumptions: The total pension liability in the December 31, 2020 actuarial valuation was determined using the following actuarial assumptions and other inputs:

	Rate (%)
Wage inflation	2.50
Salary increase, including wage inflation	4.25 - 11.25
Cost of living	0.00
Long-term investment rate of return, net pension plan investment expenses, including price inflation	7.00

For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projections scales, and then projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to the 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

The assumptions that are based upon the actuary's recommendations are internally consistent and reasonable based on the actual past experience of the plan.

Sensitivity of the Net Pension Liability/(Asset) to Changes in the Discount Rate: The following presents the City's proportionate share net pension liability/(asset) calculated using the discount rate of 7.00%, as well as what the City's proportionate share of the net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower or higher than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
City's proportionate share of net pension liability/(asset)	$ 18,910,515	$ (18,791,321)	$ (50,013,149)

Defined Contribution Plan

Statewide Money Purchase Plan Description: Per Senate Bill 15-028, Fire and Police Chiefs are allowed to opt out of participation in the defined benefit plans into an alternative pension plan. The alternative pension plan must be the FPPA Statewide Hybrid Plan, the Statewide Money Purchase Plan or a locally administered money purchase plan. The Statewide Money Purchase Plan is a qualified defined contribution plan under section 401(a) of the IRS code of 1986.

Statewide Money Purchase Plan Funding Policy: The employee and employer contributions rates are set at a minimum of 8%, or such higher rate as approved locally. The City chose to set the rates, at plan inception, for both employee and employer. Each contribute at a rate of 10% each. The City contributions to the FPPA Statewide Money Purchase Plan for the year ending December 31, 2021 were $19,450.

457 Plan Description: Per authority of a City Council resolution, uniformed members of the City may also voluntarily contribute to a Mission Square Retirement (formerly ICMA), a FPPA 457 Plan, or a FPPA Roth 457 Plan, each an Internal Revenue Code of 1986 section 457. The Mission Square Retirement plan is administered by Mission Square Retirement and the Vantage Trust Company and the FPPA plan is administered by the FPPA and Fidelity Investments.

457 Funding Policy: The Mission Square Retirement (formerly ICMA) and FPPA 457 plans are funded by voluntary member contributions of up to a maximum limit set by the IRS ($19,500 annually for 2021 calendar year). In addition, employees are eligible to contribute an additional $6,500 annually if they are age 50 or older. There is an additional "pre-retirement" catch-up provision that allows employees to double their 457 contributions by funding an additional $19,500 if they are within three years of retirement. The City does not contribute to the Mission Square Retirement or FPPA 457 plans.

I. Subsequent Events

On November 23, 2021, City Council approved changes to the natural gas, electric, water and wastewater rate schedules effective January 1, 2022. On January 25, 2022 City Council approved changes to the electric cost adjustment and gas cost adjustment rates effective February 1, 2022.

In April 2022, the City and UCH entered into a Lease Extension Agreement. In the Agreement, the City agreed that its right to give notice of termination of the Extension Term would not arise until October 1, 2032, or thereafter, in which case the Operating Lease would terminate at such time as is consistent with Section 13.1.4 of the 2012 Lease Agreement. To avoid any confusion, pursuant to the Lease Extension Agreement, such termination would be effective on the thirty-first (31st) anniversary of the commencement of the next annual term of the Operating Lease following the City's notice to terminate.

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REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
Years ended December 31,

Colorado PERA Local Government Division Trust Fund

	2021	2020	2019
Proportionate share of total pension liability	$2,073,021,396	$1,928,523,285	$1,893,691,502
Proportionate share of fiduciary net position	(1,884,016,250)	(1,663,608,112)	(1,438,354,956)
Proportionate share of net pension liability	$189,005,146	$264,915,173	$455,336,546
Fiduciary net position as a percentage of total pension liability	90.88 %	86.26 %	75.96 %
Covered payroll	$266,314,402	$249,094,029	$236,427,277
Net pension liability as a percentage of covered payroll	70.97 %	106.35 %	192.59 %
Proportion of net pension liability	36.2685 %	36.2208 %	36.2179 %

* Notes to the Required Supplementary Information regarding changes of assumptions and benefits can be found on page three of this exhibit.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 68.

2018	2017	2016	2015
$1,920,057,454	$1,896,397,997	$1,742,453,960	$1,725,945,784
(1,523,903,793)	(1,396,620,395)	(1,339,384,263)	(1,393,102,634)
$396,153,661	$499,777,602	$403,069,697	$332,843,150
79.37 %	73.65 %	76.87 %	80.72 %
$225,147,540	$216,649,184	$208,704,241	$204,135,871
175.95 %	230.69 %	193.13 %	163.05 %
35.5796 %	37.0112 %	36.5901 %	37.1349 %

Colorado PERA Local Government Division Trust Fund

	Statutorily Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2021	$ 36,484,054	$ 36,484,054	$ —	$275,496,362	13.24
2020	33,908,959	33,908,959	—	266,314,402 **	12.73 **
2019	32,516,796	32,516,796	—	249,094,029	13.05
2018	30,705,118	30,705,118	—	236,427,277	12.99
2017	28,775,859	28,775,859	—	225,147,540	12.78
2016	27,723,419	27,723,419	—	216,649,184	12.80
2015	26,548,367	26,548,367	—	208,704,241	12.72

** Updated

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page three of this exhibit.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's fiscal year end December 31 in accordance with GASB Statement No. 68.

Colorado PERA Local Government Division Trust Fund

Changes of assumptions -

- 2021 - The price inflation assumption was lowered from 2.40% to 2.30%. The wage inflation assumption was lowered from 3.50% to 3.00%. The salary scale assumptions were altered to align with the revised economic assumptions and to better reflect actual experience. The pre-retirement, post-retirement and disability mortality assumptions for active and retired lives were changed from static mortality tables represented by the RP-2014 Mortality tables, with adjustments for credibility and gender, to generational mortality tables represented by various tables presented in the Pub-2010 *Public Retirement Plans Mortality Tables Report*, projected using MP-2019 projection scale and adjusted for credibility and gender. In addition, a separate beneficiary mortality table was adopted. Rates of termination/withdrawal, retirement and disability were revised to more closely reflect actual experience.

- 2020 - Senate Bill (SB) 18-200 was enacted on June 4, 2018, which included the adoption of the automatic adjustment provision (AAP). The following changes reflect the anticipated adjustments resulting from the 2018 AAP assessment, statutorily recognized July 1, 2019, and effective July 1, 2020:
  -Member contribution rates increase by 0.50%
  -Employer contribution rates increase by 0.50%
  -Annual Increase (AI) cap is lowered from 1.50% per year to 1.25% per year.
  House Bill (HB) 19-1217, enacted May 20, 2019, repealed the member contribution increases scheduled for the Local Government Division pursuant to SB 18-200.

- 2019 - The following major changes were made to plan provisions as part of SB 18-200: Member contribution rates increased by 0.75% effective July 1, 2019, an additional 0.75% effective July 1, 2020 and an additional 0.50% effective July 14, 2021. (See subsequent event regarding HB 19-1217 for more information.)

- 2017 - The investment return assumption was lowered from 7.50% to 7.25%. The price inflation assumption was lowered from 2.80% to 2.40%. The wage inflation assumption was lowered from 3.90% to 3.50%. The post-retirement mortality assumption for healthy lives was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for credibility and gender adjustments of 73.0% factor applied to ages below 80 and a 108.0% factor applied to age 80 and above, projected to 2018, for males and a 78.0% factor applied to ages below 80 and a 109.0% factor applied to age 80 and above, projected to 2020, for females. For disabled retirees, the mortality assumption was changed to reflect 90.0% of RP-2014 Disabled Retiree Mortality Table. The mortality assumption for active members was changed to RP-2014 White Collar Employee Mortality Table, a table specifically developed for actively working people. To allow for an appropriated margin of improved mortality prospectively, the mortality rates incorporated a 70.0% factor applied to male rated and 55.0% factor applied to female rates. The rates of retirement, withdrawal and disability were revised to reflect more closely actual experience.

Changes in benefits -

- 2019 - The following major changes were made to plan provisions as part of SB 18-200: The number of years used in the Highest Average Salary calculation for non-vested members as of January 1, 2020, increased from three to five years for the Local Government Division. Annual increase (AI) cap was lowered from 2.00% per year to 1.50% per year. Initial AI waiting period was extended from one year after retirement to three years after retirement

Subsequent event -

- 2020 - Subsequent to December 31, 2019, as a result of the COVID-19 pandemic, the global economic outlook changed. The duration and full effects of the pandemic are currently unknown, as the global picture continues to evolve. Although unprecedented federal fiscal and monetary stimulus have helped to stabilize and soften the impact of economic contraction, the near-term negative impact on PERA's investment portfolio, as well the short-medium term impact on the Trust Fund's membership and demographics, remains uncertain.

- 2019 - During the 2019 legislative session, the Colorado General Assembly passed HB 19-1217: *PERA Public Employees' Retirement Association Local Government Division Member Contribution Rate*. The bill was signed into law on May 20, 2019, and eliminated the 2.00% increase in the contribution rate required by SB 18-200 for members in the LGDTF. The impact of this change was reflected in the subsequent fiscal year, for the measurement date December 31, 2019.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CHANGES IN THE
CITY'S NET PENSION LIABILITY
Years ended December 31,

Old Hire Fire Defined Benefit Pension Plan

	2021	2020	2019
Total Pension Liability (TPL) - January 1	$ 107,110,925	$ 94,066,095	$ 95,398,783
Service cost	—	—	—
Interest on the TPL	6,672,051	6,731,045	6,853,477
Benefit changes	—	—	—
Difference between expected and actual experience of the TPL	—	7,956,514	—
Changes of assumptions or other inputs	—	7,153,963	—
Benefit payments, including refunds of employee contributions	(9,070,783)	(8,796,692)	(8,186,165)
Net change in TPL	(2,398,732)	13,044,830	(1,332,688)
Total Pension Liability - December 31	104,712,193	107,110,925	94,066,095
Plan Fiduciary Net Position (FNP) - January 1	70,910,402	68,842,799	74,667,694
Employer contributions	2,328,416	2,328,416	2,286,697
Employee contributions	—	—	—
Net investment income	6,913,872	8,573,590	117,863
Benefit payments, including refunds of employee contributions	(9,070,783)	(8,796,692)	(8,186,165)
Pension plan administrative expense	(41,142)	(37,711)	(43,290)
Net change in FNP	130,363	2,067,603	(5,824,895)
Plan Fiduciary Net Position - December 31	71,040,765	70,910,402	68,842,799
Net pension liability	$ 33,671,428	$ 36,200,523	$ 25,223,296
Fiduciary net position as a percentage of total pension liability	67.84 %	66.20 %	73.19 %
Covered payroll	$ —	$ —	$ —
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A

Notes to the Required Supplementary Information

Changes in benefits	None
Changes of assumptions	2020 - Investment rate of return decreased from 7.50% to 6.50%. Post-retirement mortality table updated to 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. 2017 - Real rate of return increased from 4.50% to 5.00%. Post-retirement mortality table updated to RP-2014 from RP-2000. Administrative expenses paid in the prior two fiscal years are included in the calculated annual contribution. 2016 - Price inflation changed from 3.00% to 2.50%. Post-retirement mortality rate was based on RP-2014 mortality tables for blue collar employees with scale BB.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 68.

2018	2017	2016	2015
$ 97,526,320	$ 98,527,662	$ 94,992,823	$ 96,220,416
—	—	—	—
7,014,133	7,091,577	6,824,022	6,916,644
—	—	—	—
(985,133)	—	(1,442,156)	—
—	—	6,312,216	—
(8,156,537)	(8,092,919)	(8,159,243)	(8,144,237)
(2,127,537)	(1,001,342)	3,534,839	(1,227,593)
95,398,783	97,526,320	98,527,662	94,992,823
70,493,833	73,326,035	78,504,844	80,007,825
2,286,697	1,639,319	1,639,319	1,467,740
—	—	—	—
10,078,024	3,737,918	1,450,492	5,299,069
(8,156,537)	(8,092,919)	(8,159,243)	(8,144,237)
(34,323)	(116,520)	(109,377)	(125,553)
4,173,861	(2,832,202)	(5,178,809)	(1,502,981)
74,667,694	70,493,833	73,326,035	78,504,844
$ 20,731,089	$ 27,032,487	$ 25,201,627	$ 16,487,979
78.27 %	72.28 %	74.42 %	82.64 %
$ —	$ —	$ —	$ —
N/A	N/A	N/A	N/A

Old Hire Fire Defined Benefit Pension Plan

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2021	$ 3,076,512	$ 3,076,512	$ —	$ —	N/A
2020	2,328,416	2,328,416	—	—	N/A
2019	2,328,416	2,328,416	—	—	N/A
2018	2,286,697	2,286,697	—	—	N/A
2017	2,286,697	2,286,697	—	—	N/A
2016	1,639,319	1,639,319	—	—	N/A
2015	1,639,319	1,639,319	—	—	N/A

Notes to the Required Supplementary Information

Valuation date:	January 1, 2020

Methods and assumptions used to determine contributions

Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	16 years
Inflation	2.50%
Salary increase	N/A
Investment rate of return	6.50%
Asset valuation method	5-year smoothed fair value
Retirement age	50 years of age
Mortality	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's fiscal year end December 31 in accordance with GASB Statement No. 68.

COLORADO
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COLORADO SPRINGS
150
1871
2021

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CHANGES IN THE
CITY'S NET PENSION LIABILITY
Years ended December 31,

Old Hire Police Defined Benefit Pension Plan

	2021	2020	2019
Total Pension Liability (TPL) - January 1	$ 86,010,185	$ 79,060,305	$ 80,146,168
Service cost	—	—	—
Interest on the TPL	5,365,252	5,670,286	5,758,923
Benefit changes	—	—	—
Difference between expected and actual experience of the TPL	—	2,284,694	—
Changes of assumptions or other inputs	—	6,035,154	—
Benefit payments, including refunds of employee contributions	(7,046,616)	(7,040,254)	(6,844,786)
Net change in TPL	(1,681,364)	6,949,880	(1,085,863)
Total Pension Liability - December 31	84,328,821	86,010,185	79,060,305
Plan Fiduciary Net Position (FNP) - January 1	60,285,047	58,247,082	63,196,268
Employer contributions	1,850,964	1,850,964	1,833,691
Employee contributions	—	—	—
Net investment income	5,923,388	7,258,087	98,302
Benefit payments, including refunds of employee contributions	(7,046,616)	(7,040,254)	(6,844,786)
Pension plan administrative expense	(32,848)	(30,832)	(36,393)
Net change in FNP	694,888	2,037,965	(4,949,186)
Plan Fiduciary Net Position - December 31	60,979,935	60,285,047	58,247,082
Net pension liability	$ 23,348,886	$ 25,725,138	$ 20,813,223
Fiduciary net position as a percentage of total pension liability	72.31 %	70.09 %	73.67 %
Covered payroll	$ —	$ —	$ —
Net pension liability as a percentage of covered payroll	N/A	N/A	N/A

Notes to the Required Supplementary Information

Changes in benefits	None
Changes of assumptions	2020 - Investment rate of return decreased from 7.50% to 6.50%. Post-retirement mortality table updated to 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years. 2017 - Real return increased from 4.50% to 5.00%. Post-retirement mortality table updated to RP-2014 from RP-2000. Administrative expenses paid in the prior two fiscal years are included in the calculated annual contribution. 2016 - Price inflation changed from 3.00% to 2.50%. Post-retirement mortalility rate was based on RP-2014 mortalility tables for blue collar employees with scale BB.

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2018	2017	2016	2015
$ 81,444,517	$ 82,286,576	$ 80,928,590	$ 81,933,276
—	—	—	—
5,859,424	5,922,411	5,813,424	5,891,079
—	—	—	—
(397,839)	—	(2,591,637)	—
—	—	5,094,537	—
(6,759,934)	(6,764,470)	(6,958,338)	(6,895,765)
(1,298,349)	(842,059)	1,357,986	(1,004,686)
80,146,168	81,444,517	82,286,576	80,928,590
59,630,971	61,865,742	66,224,327	67,207,764
1,833,691	1,466,935	1,466,935	1,541,080
—	—	—	6,534
8,520,414	3,161,491	1,225,181	4,471,258
(6,759,934)	(6,764,470)	(6,958,338)	(6,895,765)
(28,874)	(98,727)	(92,363)	(106,544)
3,565,297	(2,234,771)	(4,358,585)	(983,437)
63,196,268	59,630,971	61,865,742	66,224,327
$ 16,949,900	$ 21,813,546	$ 20,420,834	$ 14,704,263
78.85 %	73.22 %	75.18 %	81.83 %
$ —	$ —	$ —	$ 61,878
NA	NA	NA	23763.31 %

Old Hire Police Defined Benefit Pension Plan

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2021	$ 2,120,342	$ 2,120,342	$ —	$ —	N/A
2020	1,850,964	1,850,964	—	—	N/A
2019	1,850,964	1,850,964	—	—	N/A
2018	1,836,343	1,836,343	—	—	N/A
2017	1,833,691	1,833,691	—	—	N/A
2016	1,466,935	1,466,935	—	—	N/A
2015	1,466,935	1,466,935	—	—	N/A

Notes to the Required Supplementary Information

Valuation date:	January 1, 2020

Methods and assumptions used to determine contributions

Actuarial cost method	Entry age
Amortization method	Level dollar, open
Remaining amortization period	17 years
Inflation	2.50%
Salary increase	N/A
Investment rate of return	6.50%
Asset valuation method	5-year smoothed fair value
Retirement age	50 years of age
Mortality	Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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COLORADO
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150
1871
2021

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CHANGES IN THE
CITY'S NET PENSION LIABILITY
Years ended December 31,

New Hire Pension Plan - Fire Component

	2021	2020	2019
Total Pension Liability (TPL) - January 1	$ 191,759,280	$ 182,354,848	$ 168,492,702
Service cost	1,966,951	1,902,086	2,007,404
Interest on the TPL	13,173,456	12,524,201	12,196,763
Benefit changes	—	—	—
Difference between expected and actual experience of the TPL	312,764	3,755,612	(915,934)
Changes of assumptions or other inputs	—	—	8,912,225
Benefit payments, including refunds of employee contributions	(9,101,060)	(8,777,467)	(8,338,312)
Net change in TPL	6,352,111	9,404,432	13,862,146
Total Pension Liability - December 31	198,111,391	191,759,280	182,354,848
Plan Fiduciary Net Position (FNP) - January 1	154,007,661	138,638,938	142,035,779
Employer contributions	4,000,147	3,583,394	4,058,332
Employee contributions	976,570	936,275	923,455
Net investment income	19,812,461	19,700,611	33,950
Benefit payments, including refunds of employee contributions	(9,101,060)	(8,777,467)	(8,338,312)
Pension plan administrative expense	(72,403)	(74,090)	(74,266)
Other	—	—	—
Net change in FNP	15,615,715	15,368,723	(3,396,841)
Plan Fiduciary Net Position - December 31	169,623,376	154,007,661	138,638,938
Net pension liability	$ 28,488,015	$ 37,751,619	$ 43,715,910
Fiduciary net position as a percentage of total pension liability	85.62 %	80.31 %	76.03 %
Covered payroll	$ 9,765,687	$ 9,362,740	$ 9,234,540
Net pension liability as a percentage of covered payroll	291.72 %	403.21 %	473.40 %

Notes to the Required Supplementary Information

Changes in benefits	None
Changes of assumptions	2019 - Investment rate of return changed from 7.50% to 7.00%. 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality
	2017 - Real return increased from 4.50% to 5.00%. Post-retirement mortality table updated to RP-2014 from RP-2000. Administrative expenses paid in the prior two fiscal years are included in the calculated annual contribution.
	2016 - Price inflation changed from 3.00% to 2.50%. Post-retirement mortality rate was based on RP-2014 mortality tables for blue collar employees with scale BB.

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2018	2017	2016	2015
$ 163,542,442	$ 157,971,179	$ 145,875,351	$ 138,255,953
1,872,966	2,129,584	2,350,743	2,436,526
12,030,879	11,644,318	11,152,618	10,261,170
—	—	—	—
(819,178)	(645,848)	55,903	238,938
—	—	4,765,138	—
(8,134,407)	(7,556,791)	(6,228,574)	(5,317,236)
4,950,260	5,571,263	12,095,828	7,619,398
168,492,702	163,542,442	157,971,179	145,875,351
126,527,898	123,154,436	122,730,229	115,691,126
4,181,089	3,485,586	3,437,596	3,341,129
1,083,453	1,045,342	1,202,513	1,278,915
18,445,141	6,569,905	2,206,766	7,924,723
(8,134,407)	(7,556,791)	(6,228,574)	(5,317,236)
(67,395)	(209,340)	(194,094)	(195,429)
—	38,760	—	7,001
15,507,881	3,373,462	424,207	7,039,103
142,035,779	126,527,898	123,154,436	122,730,229
$ 26,456,923	$ 37,014,544	$ 34,816,743	$ 23,145,122
84.30 %	77.37 %	77.96 %	84.13 %
$ 9,517,994	$ 10,367,032	$ 11,910,879	$ 12,789,129
277.97 %	357.04 %	292.31 %	180.97 %

New Hire Pension Plan - Fire Component

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2021	$ 5,111,063	$ 5,111,063	$ —	$ 8,969,538	56.98
2020	4,788,124	4,788,124	—	9,765,687	49.03
2019	3,562,759	3,562,759	—	9,362,740	38.05
2018	4,071,111	4,071,111	—	9,234,540	44.09
2017	4,207,271	4,207,271	—	9,517,994	44.20
2016	3,477,722	3,477,722	—	10,367,032	33.55
2015	3,444,712	3,444,712	—	11,910,879	28.92

Notes to the Required Supplementary Information

Valuation date:	January 1, 2020

Methods and assumptions used to determine contributions

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	19 years
Inflation	2.50%
Salary increase	4.25 - 11.25% including inflation
Investment rate of return	7.00%
Asset valuation	5 year smoothed fair value
Retirement age	Age based rates for members with more than 25 years combined service & age starting at age 55 with 100% at age 60 years
Mortality	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. Increased by 0.00015 for on-duty related Fire and Police experience. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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COLORADO
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COLORADO SPRINGS
150
1871
2021

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CHANGES IN THE
CITY'S NET PENSION LIABILITY
Years ended December 31,

New Hire Pension Plan - Police Component

	2021	2020	2019
Total Pension Liability (TPL) - January 1	$ 409,776,854	$ 383,230,807	$ 342,817,503
Service cost	5,741,905	5,523,169	5,527,257
Interest on the TPL	28,344,817	26,516,398	25,073,851
Benefit changes	—	—	—
Difference between expected and actual experience of the TPL	(1,871,246)	8,879,893	4,145,156
Changes of assumptions or other inputs	—	—	19,566,442
Benefit payments, including refunds of employee contributions	(15,443,692)	(14,373,413)	(13,899,402)
Net change in TPL	16,771,784	26,546,047	40,413,304
Total Pension Liability - December 31	426,548,638	409,776,854	383,230,807
Plan Fiduciary Net Position (FNP) - January 1	349,383,584	311,369,449	315,606,098
Employer contributions	6,589,565	6,053,042	7,590,899
Employee contributions	2,105,304	2,000,225	2,222,616
Net investment income	45,419,986	44,477,485	(4,868)
Benefit payments, including refunds of employee contributions	(15,443,692)	(14,373,413)	(13,899,402)
Pension plan administrative expense	(141,842)	(143,204)	(145,894)
Net change in FNP	38,529,321	38,014,135	(4,236,649)
Plan Fiduciary Net Position - December 31	387,912,905	349,383,584	311,369,449
Net pension liability	$ 38,635,733	$ 60,393,270	$ 71,861,358
Fiduciary net position as a percentage of total pension liability	90.94 %	85.26 %	81.25 %
Covered payroll	$ 25,086,796	$ 24,709,177	$ 23,500,297
Net pension liability as a percentage of covered payroll	154.01 %	244.42 %	305.79 %

Notes to the Required Supplementary Information

Changes in benefits	None
Changes of assumptions	2019 - Investment rate of return changed from 7.50% to 7.00%. Post-retirement mortality table updated to 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality 2017 - Real return increased from 4.50% to 5.00%. Post-retirement mortality table updated to RP-2014 from RP-2000. Administrative expenses paid in the prior two fiscal years are included in the calculated annual contribution. 2016 - Price inflation changed from 3.00% to 2.50%. Post-retirement mortality rate was based on RP-2014 mortality tables for blue collar employees with scale BB.

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2018	2017	2016	2015
$ 331,007,540	$ 319,975,168	$ 297,810,707	$ 281,166,840
5,320,575	5,823,050	6,291,613	6,226,828
24,542,529	23,779,327	22,785,151	20,973,736
—	—	—	—
(5,184,926)	(6,911,997)	(4,663,822)	(1,295,803)
—	—	7,939,475	—
(12,868,215)	(11,658,008)	(10,187,956)	(9,260,894)
11,809,963	11,032,372	22,164,461	16,643,867
342,817,503	331,007,540	319,975,168	297,810,707
277,111,969	264,726,596	260,252,125	242,667,157
8,433,311	7,512,099	7,916,242	7,728,841
2,319,332	2,628,533	2,493,427	2,830,620
40,741,455	14,354,620	4,665,140	16,694,742
(12,868,215)	(11,658,008)	(10,187,956)	(9,260,894)
(131,754)	(451,871)	(412,382)	(408,341)
38,494,129	12,385,373	4,474,471	17,584,968
315,606,098	277,111,969	264,726,596	260,252,125
$ 27,211,405	$ 53,895,571	$ 55,248,572	$ 37,558,582
92.06 %	83.72 %	82.73 %	87.39 %
$ 24,114,374	$ 26,439,948	$ 28,615,723	$ 30,066,196
112.84 %	203.84 %	193.07 %	124.92 %

New Hire Pension Plan - Police Component

	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2021	$ 10,530,459	$ 10,530,459	$ —	$ 21,134,307	49.83
2020	6,457,477	6,457,477	—	25,086,796	25.74
2019	6,026,386	6,026,386	—	24,709,177	24.39
2018	7,607,860	7,607,860	—	23,500,297	32.37
2017	8,471,261	8,471,261	—	24,114,374	35.13
2016	7,527,907	7,527,907	—	26,439,948	28.47
2015	7,969,055	7,969,055	—	28,615,723	27.85

Notes to the Required Supplementary Information

Valuation date:	January 1, 2020

Methods and assumptions used to determine contributions

Actuarial cost method	Entry age
Amortization method	Level dollar, closed
Remaining amortization period	19 years
Inflation	2.50%
Salary increase	4.25 - 11.25% including inflation
Investment rate of return	7.00%
Asset valuation	5 year smoothed fair value
Retirement age	Age based rates for members with more than 25 years combined service & age starting at age 50 with 100% at age 55 years.
Mortality	Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality. Increased by 0.00015 for on-duty related Fire and Police experience. Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.

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COLORADO
SPRINGS
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CELEBRATE
COLORADO SPRINGS
150
1871
2021

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY (ASSET)
Years ended December 31,

Fire & Police Pension Association Statewide Defined Benefit Pension Plan

	2021	2020	2019
Proportionate share of total pension liability	$ 279,617,600	$ 235,645,678	$ 196,860,692
Proportionate share of fiduciary net position	(298,408,921)	(240,210,779)	(187,479,815)
Proportionate share of net pension liability (asset)	$ (18,791,321)	$ (4,565,101)	$ 9,380,877
Fiduciary net position as a percentage of total pension liability (asset)	106.72 %	101.94 %	95.23 %
Covered payroll	$ 69,522,397	$ 59,417,629	$ 49,702,739
Net pension liability (asset) as a percentage of covered payroll	27.03 %	7.68 %	18.87 %
Proportion of net pension liability (asset)	8.6556 %	8.0718 %	7.4200 %

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page three of this exhibit.

* Information determined under the provisions of GASB 68 is not available for years prior to 2015. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 68.

2018	2017	2016	2015
$ 170,806,127	$ 153,221,012	$ 133,609,555	$ 115,980,297
(181,634,116)	(150,482,259)	(133,737,080)	(123,899,253)
$ (10,827,989)	$ 2,738,753	$ (127,525)	$ (7,918,956)
106.34 %	98.21 %	100.10 %	106.83 %
$ 43,974,999	$ 38,790,638	$ 35,068,719	$ 31,535,933
24.62 %	7.06 %	0.36 %	25.11 %
7.5265 %	7.5795 %	7.2340 %	7.0168 %

Fire & Police Pension Association Statewide Defined Benefit Pension Plan

	Statutorily Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Payroll	Actual Contributions as a % of Covered Payroll
2021	$ 6,143,515	$ 6,143,515	$ —	$ 71,346,564	8.61
2020	5,413,015	5,413,015	—	69,522,397	7.79
2019	4,841,239	4,841,239	—	59,417,629	8.15
2018	4,076,278	4,076,278	—	49,702,739	8.20
2017	3,579,520	3,579,520	—	43,974,999	8.14
2016	3,158,425	3,158,425	—	38,790,638	8.14
2015	2,976,381	2,976,381	—	35,068,719	8.49

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page three of this exhibit.

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Fire & Police Pension Association Statewide Defined Benefit Pension Plan

Changes of assumptions -

- 2019 - The discount rate used in the valuation of the total pension liability changed from 7.50% to 7.00%
- 2017 - Effective January 1, 2016, the post-retirement mortality assumption for healthy lives was changed to the RP-2014 Healthy Annuitant Mortality Table with adjustments for blue collar employees with scale BB. Beginning in 2015, members elected to increase member contribution rated 0.50% annually through 2022 when the contribution rate will reach 12.00%. Employer contribution rates will remain at 8.00%.
- 2016 - Price inflation changed from 3.00% to 2.50%. Post-retirement mortality rate was based on RP-2014 mortality tables for blue collar employees with scale BB.

Changes in benefits - There are no changes to benefits.

Subsequent event -

- 2020 - House Bill 20-1044 was signed into law on April 1, 2020. Included in the bill is a provision to increase the benefits of the members of the Statewide Defined Benefit Plan through a Rule of 80 provision effective January 1, 2021. This provision provides for a normal retirement as early as age 50 if the member's age combined with years of service totals at least 80. The impact of this change was not included in the Total Pension Liability or the Collective Pension Expense as of the December 31, 2019 measurement period. The impact of the benefit adjustment for the City cannot be estimated, but will be reflected in the December 31, 2020 measurement period.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET OPEB LIABILITY
Year ended December 31,

CITY OF COLORADO SPRINGS
COLORADO
Exhibit 20
(PAGE 1 OF 3)

Colorado PERA Health Care Trust Fund

	2021	2020	2019	2018
Proportionate share of total OPEB liability	$ 39,028,759	$41,231,367	$ 46,022,463	$ 43,535,412
Proportionate share of fiduciary net position	(12,792,042)	(10,096,722)	(7,836,090)	(7,631,217)
Proportionate share of net OPEB liability	$ 26,236,717	$31,134,645	$ 38,186,373	$ 35,904,195
Plan fiduciary net position as a percentage of total OPEB liability	32.78 %	24.49 %	17.03 %	17.53 %
Covered payroll	$ 266,314,402	$249,094,029	$ 236,427,277	$ 225,147,540
Proportionate share of the net OPEB liability as a percentage of covered payroll	9.85 %	12.50 %	16.15 %	15.95 %
Proportion of net OPEB liability	2.7611 %	2.7699 %	2.8067 %	2.7627 %

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page three of this exhibit.

* Information determined under the provisions of GASB 75 is not available for years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 75.

Colorado PERA Health Care Trust Fund

	Statutorily Determined Contributions	Actual Contributions	Contribution Deficiency (Excess)	Covered Payroll		Actual Contributions as a % of Covered Payroll	
2021	$ 2,836,353	$ 2,836,353	$ —	$ 275,496,365		1.03	
2020	2,836,355	2,836,355	—	266,314,402	**	1.07	**
2019	2,613,609	2,613,609	—	249,094,029		1.05	
2018	2,447,276	2,447,276	—	236,427,277		1.04	

** Updated

* Notes to the Required Supplementary Information regarding changes in assumptions and benefits can be found on page three of this exhibit.

* Information determined under the provisions of GASB 75 is not available for years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the City's fiscal year end December 31 in accordance with GASB Statement No. 75.

Colorado PERA Health Care Trust Fund

Changes of assumptions -

- 2020 - The salary scale assumptions were revised to align with revised economic assumptions to more closely reflect actual experience. Rates of termination and withdrawal, retirement, and disability were revised to more accurately reflect actual experience. The price inflation assumption decreased from 2.4% per year to 2.3% per year. The wage inflation assumption decreased from 3.5% per year to 3.0% per year. The health care cost trend rate has been updated for Medicare Part A premiums as of December, 2020, measurement date. Pre-retirement, post-retirement and disability mortality assumptions for active and retired lives were changed from static mortality tables represented by the RP-2014 mortality tables, with adjustments for credibility and gender, to a generational mortality table represented by various tables presented in Pub-2010 Public Retirement Plans Mortality Tables Report, projected using MP-2019 projection scale and adjusted for credibility and gender. In addition, a separate beneficiary mortality table was adopted.

Changes in benefits - There were no changes to benefits.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CHANGES IN THE
CITY'S TOTAL OPEB LIABILITY
Years ended December 31,

CITY OF COLORADO SPRINGS
COLORADO
EXHIBIT 21

The City of Colorado Springs OPEB Plan

	2021	2020	2019	2018
Total OPEB Liability (TOL) - January 1	$ 31,694,639	$ 29,052,980	$ 30,107,637	$ 26,516,371
Service cost	755,413	735,267	739,173	434,507
Interest on the TOL	869,136	1,190,620	1,034,500	987,112
Difference between expected and actual experience of the TOL	(10,902,174)	(206,820)	909,670	1,680,818
Changes of assumptions or other inputs	2,136,079	2,435,234	(2,189,751)	2,162,428
Benefit payments, including refunds of employee contributions	(1,459,549)	(1,512,642)	(1,548,249)	(1,673,599)
Net change in TOL	(8,601,095)	2,641,659	(1,054,657)	3,591,266
Total OPEB Liability - December 31	$ 23,093,544	$ 31,694,639	$ 29,052,980	$ 30,107,637
Covered employee payroll	$ 218,386,539	$ 203,394,298	$ 183,328,604	$ 170,699,626
Total OPEB liability as a percentage of covered employee payroll	10.57 %	15.58 %	15.85 %	17.64 %

Notes to the Required Supplementary Information

Changes of assumptions -

- 2021 - The discount rate decreased from 2.74% to 2.12% based on the changes in the 20-year municipal bond rate. The trend rates were reset to 6.25% grading down by 0.25% to 4.0%. The Medicare Part B premium ultimate rate used was changed to 4.0%. The retirement, termination and salary scale rates were updated to the rates from PERA as of December 31, 2020. The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to Pub-2010 mortality table with generational scale MP-2020 to reflect the Society of Actuaries' recent mortality study.
- 2020 - The discount decreased from 4.10% to 2.74% based on changes in the 20-year municipal bond rate. The future trend rates on the PERA premiums were lowered.
- 2019 - The discount rate increased from 3.44% to 4.10% based on changes in the 20-year municipal bond rate.
- 2018 - The discount rate decreased from 3.78% to 3.44% based on changes in the 20-year municipal bond rate. Updated mortality, disability, turnover, retirement and salary scale assumptions were updated to reflect those from the FPPA 2018 Actuarial Experience study and the December 31, 2017 Colorado PERA pension valuation.

Changes in benefits - There are no changes to benefits.

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

* Information determined under the provisions of GASB 75 is not available for years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 75.

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE CHANGES IN THE
UTILITIES' TOTAL OPEB LIABILITY
Years ended December 31,

CITY OF COLORADO SPRINGS
COLORADO
EXHIBIT 22

Colorado Springs Utilities OPEB Plan

	2021	2020	2019	2018
Total OPEB Liability (TOL) - January 1	$ 21,179,000	$ 19,228,000	$ 21,624,000	$ 21,390,000
Service cost	12,000	11,000	23,000	20,000
Interest on the TOL	565,000	764,000	723,000	786,000
Benefit changes	—	—	—	—
Difference between expected and actual experience of the TOL	(5,151,000)	(492,000)	(511,000)	(93,000)
Changes of assumptions or other inputs	1,988,000	2,877,000	(1,389,000)	785,000
Benefit payments, including refunds of employee contributions	(1,145,000)	(1,209,000)	(1,242,000)	(1,264,000)
Net change in TOL	(3,731,000)	1,951,000	(2,396,000)	234,000
Total OPEB Liability - December 31	$ 17,448,000	$ 21,179,000	$ 19,228,000	$ 21,624,000
Covered employee payroll	$ 1,183,000	$ 2,207,000	$ 3,530,000	$ 5,683,000
Total OPEB liability as a percentage of covered employee payroll	1,474.89 %	959.63 %	544.70 %	380.50 %

Notes to the Required Supplementary Information

Changes in benefits	None
Changes of assumptions	2021 - The discount rate decreased from 2.74% to 2.12% based on changes in the 20-year municipal bond rate. The retirement, termination and salary scale rates were updated from the PERA rates as of December 31, 2020. The mortality assumption was updated from RP-2014 mortality table with generational scale MP-2018 to PUB-2010 mortality table with generational scale MP-2020 to reflect the Society of Actuaries' recent mortality study. Trend rates were reset to 6.25% grading down by 0.25% to 4.0%. The Medicare Part B premium ultimate rate used was changed to 4.0%. 2020 - The discount decreased from 4.10% to 2.74% based on changes in the 20-year municipal bond rate. The future trend rates on the PERA premiums were lowered. 2019 - The discount rate increased from 3.44% to 4.10% based on changes in the 20-year municipal bond rate. 2018 - The discount rate decreased from 3.78% to 3.44% based on changes in the 20-year municipal bond rate. Updated mortality, disability, turnover, retirement and salary scale assumptions were updated to reflect those from the FPPA 2018 Actuarial Experience study and the December 31, 2017 Colorado PERA pension valuation

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75

* Information determined under the provisions of GASB 75 is not available for years prior to 2018. In future reports, additional years will be added until 10 years of historical data are presented. Information presented in this schedule has been determined as of the measurement date in accordance with GASB Statement No. 75.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

PROPRIETARY FUNDS
SCHEDULE OF REVENUES AND EXPENSES
BUDGET AND ACTUAL COMPARISON
For the year ended December 31, 2021

	Colorado Springs Utilities		
	Final Budget	**Actual**	**Variance**
Operating revenues	$ 906,738,000	$ 1,065,754,000	$ 159,016,000
Operating expenses			
Salaries and benefits	208,728,000	203,470,000	5,258,000
Other operating expenses	352,930,000	558,320,000	(205,390,000)
Depreciation and amortization	159,037,000	163,748,000	(4,711,000)
Total operating expenses	720,695,000	925,538,000	(204,843,000)
Operating income	186,043,000	140,216,000	(45,827,000)
Nonoperating revenues (expenses)			
Derivative instruments gain	—	18,733,000	18,733,000
Investment earnings (loss)	4,955,000	1,254,000	(3,701,000)
Lease interest income	—	—	—
Interest expense	(92,981,000)	(84,448,000)	8,533,000
Amortization expense	—	—	—
Increase in contingent liabilities	—	—	—
Miscellaneous	4,524,000	1,223,000	(3,301,000)
Total nonoperating revenues (expenses)	(83,502,000)	(63,238,000)	20,264,000
Income (loss) before contributions and transfers	102,541,000	76,978,000	(25,563,000)
Capital contributions	40,410,000	68,073,000	27,663,000
Transfers - in	—	52,000	52,000
Transfers - out	(36,217,000)	(37,421,000)	(1,204,000)
Change in net position	$ 106,734,000	$ 107,682,000	$ 948,000

Public Authority for Colorado Energy			Memorial Hospital		
Budget	Actual	Variance	Budget	Actual	Variance
$ 51,042,000	$ 51,042,000	$ —	$ —	$ —	$ —
—	—	—	—	—	—
19,908,000	20,066,000	(158,000)	—	—	—
—	—	—	—	—	—
19,908,000	20,066,000	(158,000)	—	—	—
31,134,000	30,976,000	(158,000)	—	—	—
—	—	—	—	—	—
1,044,000	1,041,000	(3,000)	47,100	(84,034)	(131,134)
—	—	—	5,612,112	2,700,343	(2,911,769)
(37,624,000)	(37,463,000)	161,000	—	—	—
(820,000)	(820,000)	—	—	—	—
—	—	—	(9,571,792)	(2,616,309)	6,955,483
—	—	—	—	—	—
(37,400,000)	(37,242,000)	158,000	(3,912,580)	—	3,912,580
(6,266,000)	(6,266,000)	—	(3,912,580)	—	3,912,580
—	—	—	—	—	—
—	—	—	—	—	—
—	—	—	—	—	—
$ (6,266,000)	$ (6,266,000)	$ —	$ (3,912,580)	$ —	$ 3,912,580

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150
1871
2021

NON-MAJOR GOVERNMENTAL FUNDS

	Special Revenue Funds	Capital Projects Fund	Permanent Funds	Total
ASSETS				
Cash and investments	$ 124,264,785	$ 26,719,899	$ 460,438	$ 151,445,122
Accounts receivable (net of allowance for uncollectibles)	24,812,189	—	11,219	24,823,408
Sales tax receivable	13,668,802	—	—	13,668,802
Loans receivable (net of allowance for uncollectibles)	14,476,562	—	—	14,476,562
Property taxes receivable	3,527,373	—	—	3,527,373
Restricted cash and investments	500,000	—	16,097,721	16,597,721
Total assets	$ 181,249,711	$ 26,719,899	$ 16,569,378	$ 224,538,988
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 17,143,589	$ 1,153,761	$ —	$ 18,297,350
Accrued salaries and benefits	863,659	—	—	863,659
Deposits payable	424,039	—	—	424,039
Due to other funds	598,647	3,394,256	—	3,992,903
Unearned revenue				
Grants	37,211,300	—	—	37,211,300
Total liabilities	56,241,234	4,548,017	—	60,789,251
Deferred inflows of resources				
Unavailable revenue - property taxes	3,527,373	—	—	3,527,373
Unavailable revenue - loans (net of allowance for uncollectibles)	14,476,562	—	—	14,476,562
Total deferred inflows of resources	18,003,935	—	—	18,003,935
Fund balances				
Nonspendable	—	—	16,097,721	16,097,721
Restricted	79,492,420	—	471,657	79,964,077
Committed	27,108,508	18,615,521	—	45,724,029
Assigned	403,614	3,556,361	—	3,959,975
Total fund balances	107,004,542	22,171,882	16,569,378	145,745,802
Total liabilities, deferred inflows of resources and fund balances	$ 181,249,711	$ 26,719,899	$ 16,569,378	$ 224,538,988

NON-MAJOR GOVERNMENTAL FUNDS | **CITY OF COLORADO SPRINGS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES | **COLORADO**

AND CHANGES IN FUND BALANCES | **Exhibit B-2**

For the year ended December 31, 2021

	Special Revenue Funds	Capital Projects Fund	Permanent Funds	Total
Revenues				
Taxes	$ 138,626,547	$ —	$ —	$ 138,626,547
Intergovernmental	81,088,247	—	—	81,088,247
Charges for services	13,916,026	—	—	13,916,026
Endowments and donations	1,426,503	—	73,351	1,499,854
Other revenue	1,041,743	470,340	—	1,512,083
Investment earnings (loss)	(98,274)	(176,564)	1,671,210	1,396,372
Rental income	166,688	—	—	166,688
Total revenues	236,167,480	293,776	1,744,561	238,205,817
Expenditures				
Current				
General government	11,108,845	—	—	11,108,845
Public safety	50,820,398	—	—	50,820,398
Public works	25,388,782	—	—	25,388,782
Culture and recreation	13,769,380	—	2,358	13,771,738
Community development	27,791,250	—	—	27,791,250
Debt service				
Principal	1,826,250	1,625,986	—	3,452,236
Interest	506,460	33,504	—	539,964
Capital outlay	79,329,835	10,315,984	—	89,645,819
Total expenditures	210,541,200	11,975,474	2,358	222,519,032
Excess (deficiency) of revenues over expenditures	25,626,280	(11,681,698)	1,742,203	15,686,785
Other financing sources (uses)				
Transfers - in	—	10,391,339	—	10,391,339
Transfers - out	—	—	(321,127)	(321,127)
Total other financing sources (uses)	—	10,391,339	(321,127)	10,070,212
Net change in fund balances	25,626,280	(1,290,359)	1,421,076	25,756,997
Fund balances - January 1	81,378,262	23,462,241	15,148,302	119,988,805
Fund balances - December 31	$ 107,004,542	$ 22,171,882	$ 16,569,378	$ 145,745,802

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150
1871
2021

SPECIAL REVENUE FUNDS

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

Intergovernmental Grant Funds:

Community Development Block Grant Fund
Home Investment Partnership Fund
Grants Fund

These Intergovernmental Grant Funds are used to account for the activities of the programs where the major source of funding is federal grants.

Capital, Operations and Maintenance Funds:

Ballfield Capital Improvements Fund
Bicycle Tax Fund
Trails/Open Space Fund
Conservation Trust Fund
Public Safety Sales Tax Fund
Road Repair, Maintenance, and Improvement Sales Tax Fund

These funds are used to account for the activities of the fund where particular, ear-marked, ongoing revenue sources are designated for various capital, operations and maintenance activities.

Improvement and Maintenance District Funds:

Old Colorado City Maintenance and Security District Fund
Norwood Special Improvement Maintenance District Fund
Briargate Special Improvement Maintenance District Fund
Stetson Hills Improvement Maintenance District Fund
Woodstone Improvement Maintenance District Fund
Gateway Improvement Maintenance District Fund
Platte Avenue Improvement Maintenance District Fund

These Improvement and Maintenance District Funds are used to account for the activities of the neighborhood district where revenues are derived from neighborhood taxes and/or assessments and used for specific neighborhood improvements or maintenance purposes.

SPECIAL REVENUE FUNDS CONT'D.

Public Improvements Funds:

Public Space and Development Fund (aka PLDO[1])
Subdivision Drainage Fund
Arterial Roadway Fund
Park Developer Easement Fund
Banning Lewis Ranch Fund

These Public Improvements Funds are used to account for the activities of the fund established to finance public infrastructure costs in accordance with City subdivision ordinances.

Other Public Improvements Funds:

Spring Creek General Improvement District
Briargate General Improvement District
Market Place at Austin Bluffs (MAB) General Improvement District

These Other Public Improvements Funds are used to account for the activities of the funds established to finance improvement district infrastructure costs.

Other Special Revenue Funds:

Lodgers and Auto Rental Tax Fund
Street Tree Fund
Gift Trust Fund
Senior Programs Fund
Therapeutic Recreation Fund

These Other Special Revenue Funds are used to account for the activities of the fund where ear-marked revenue is used for certain designated purposes.

[1]Public Land Dedication Ordinance

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150
1871
2021

ALL SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2021

	Intergovernmental Grant Funds	Capital, Operations and Maintenance Funds
ASSETS		
Cash and investments	$ 25,647,820	$ 57,741,642
Accounts receivable (net of allowance for uncollectibles)	24,520,366	11,830
Sales tax receivable	—	13,147,347
Loans receivable (net of allowance for uncollectibles)	14,476,562	—
Property taxes receivable	—	—
Restricted cash	—	—
Total assets	$ 64,644,748	$ 70,900,819
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 12,251,164	$ 4,006,432
Accrued salaries and benefits	130,795	714,747
Deposits payable	—	—
Due to other funds	574,927	21,265
Unearned revenue		
Grants	37,211,300	—
Total liabilities	50,168,186	4,742,444
Deferred inflows of resources		
Unavailable revenue - property taxes	—	—
Unavailable revenue - loans (net of allowance for uncollectibles)	14,476,562	—
Total deferred inflows of resources	14,476,562	—
Fund balances		
Restricted	—	66,061,381
Committed	—	96,994
Assigned	—	—
Total fund balances	—	66,158,375
Total liabilities, deferred inflows of resources and fund balances	$ 64,644,748	$ 70,900,819

Improvement and Maintenance District Funds	Public Improvements Funds	Other Public Improvements Funds	Other Special Revenue Funds	Total
$ 1,183,908	$ 30,431,215	$ 882,230	$ 8,377,970	$ 124,264,785
21,040	27,752	16,055	215,146	24,812,189
—	—	—	521,455	13,668,802
—	—	—	—	14,476,562
2,600,245	—	927,128	—	3,527,373
—	—	500,000	—	500,000
$ 3,805,193	$ 30,458,967	$ 2,325,413	$ 9,114,571	$ 181,249,711
$ 66,271	$ 762,365	$ —	$ 57,357	$ 17,143,589
18,117	—	—	—	863,659
—	424,039	—	—	424,039
2,455	—	—	—	598,647
—	—	—	—	37,211,300
86,843	1,186,404	—	57,357	56,241,234
2,600,245	—	927,128	—	3,527,373
—	—	—	—	14,476,562
2,600,245	—	927,128	—	18,003,935
1,118,105	2,456,610	1,398,285	8,458,039	79,492,420
—	26,412,339	—	599,175	27,108,508
—	403,614	—	—	403,614
1,118,105	29,272,563	1,398,285	9,057,214	107,004,542
$ 3,805,193	$ 30,458,967	$ 2,325,413	$ 9,114,571	$ 181,249,711

ALL SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2021

	Intergovernmental Grant Funds	Capital, Operations and Maintenance Funds	Improvement and Maintenance District Funds
Revenues			
Taxes	$ —	$ 125,739,452	$ 2,487,385
Intergovernmental	75,294,857	5,793,390	—
Charges for services	—	145,425	—
Donations	—	—	—
Other revenue	1,041,743	—	—
Investment earnings (loss)	89,299	(111,296)	1,051
Rental income	—	—	—
Total revenues	76,425,899	131,566,971	2,488,436
Expenditures			
Current			
General government	4,279,626	—	—
Public safety	13,322,563	37,362,281	—
Public works	17,698,535	—	2,353,006
Culture and recreation	2,796,173	7,974,193	—
Community development	27,791,250	—	—
Debt service			
Principal	—	221,250	—
Interest	—	287,175	—
Capital outlay	10,537,752	64,001,965	221,219
Total expenditures	76,425,899	109,846,864	2,574,225
Net change in fund balances	—	21,720,107	(85,789)
Fund balances - January 1	—	44,438,268	1,203,894
Fund balances - December 31	$ —	$ 66,158,375	$ 1,118,105

CITY OF COLORADO SPRINGS
COLORADO
Exhibit C-2

Public Improvements Funds	Other Public Improvements Funds	Other Special Revenue Funds	Total
$ —	$ 1,889,316	$ 8,510,394	$ 138,626,547
—	—	—	81,088,247
13,770,601	—	—	13,916,026
—	—	1,426,503	1,426,503
—	—	—	1,041,743
(115,324)	19,113	18,883	(98,274)
—	—	166,688	166,688
13,655,277	1,908,429	10,122,468	236,167,480
—	18,904	6,810,315	11,108,845
—	—	135,554	50,820,398
5,287,752	—	49,489	25,388,782
—	—	2,999,014	13,769,380
—	—	—	27,791,250
—	1,605,000	—	1,826,250
—	219,285	—	506,460
4,568,899	—	—	79,329,835
9,856,651	1,843,189	9,994,372	210,541,200
3,798,626	65,240	128,096	25,626,280
25,473,937	1,333,045	8,929,118	81,378,262
$ 29,272,563	$ 1,398,285	$ 9,057,214	$ 107,004,542

	Community Development Block Grant Fund	Home Investment Partnership Fund	Grants Fund	Total
ASSETS				
Cash and investments	$ —	$ 1,040,693	$ 24,607,127	$ 25,647,820
Accounts receivable (net of allowance for uncollectibles)	927,702	599,941	22,992,723	24,520,366
Loans receivable (net of allowance for uncollectibles)	6,593,300	7,797,476	85,786	14,476,562
Total assets	$ 7,521,002	$ 9,438,110	$ 47,685,636	$ 64,644,748
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
Liabilities				
Accounts payable	$ 473,807	$ 195,639	$ 11,581,718	$ 12,251,164
Accrued salaries and benefits	21,468	—	109,327	130,795
Due to other funds	432,427	—	142,500	574,927
Unearned revenue				
Grants	—	1,444,995	35,766,305	37,211,300
Total liabilities	927,702	1,640,634	47,599,850	50,168,186
Deferred inflows of resources				
Unavailable revenue - loans (net of allowance for uncollectibles)	6,593,300	7,797,476	85,786	14,476,562
Total deferred inflows of resources	6,593,300	7,797,476	85,786	14,476,562
Total liabilities and deferred inflows of resources	$ 7,521,002	$ 9,438,110	$ 47,685,636	$ 64,644,748

INTERGOVERNMENTAL GRANT SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Exhibit C-4

	Community Development Block Grant Fund	Home Investment Partnership Fund	Grants Fund	Total
Revenues				
Intergovernmental	$ 5,026,136	$ 538,156	$ 69,730,565	$ 75,294,857
Other revenue	208,063	623,651	210,029	1,041,743
Investment earnings	—	10,566	78,733	89,299
Total revenues	5,234,199	1,172,373	70,019,327	76,425,899
Expenditures				
Current				
General government	—	—	4,279,626	4,279,626
Public safety	—	—	13,322,563	13,322,563
Public works	—	—	17,698,535	17,698,535
Culture and recreation	—	—	2,796,173	2,796,173
Community development	5,234,199	1,172,373	21,384,678	27,791,250
Capital outlay	—	—	10,537,752	10,537,752
Total expenditures	5,234,199	1,172,373	70,019,327	76,425,899
Net change in fund balances	—	—	—	—
Fund balances - January 1	—	—	—	—
Fund balances - December 31	$ —	$ —	$ —	$ —

CAPITAL, OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2021

	Ballfield Capital Improvements Fund	Bicycle Tax Fund	Trails/Open Space Fund
ASSETS			
Cash and investments	$ 96,994	$ 214,912	$ 14,328,395
Accounts receivable (net of allowance for uncollectibles)	—	—	—
Sales tax receivable	—	9,327	1,227,444
Total assets	$ 96,994	$ 224,239	$ 15,555,839
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ —	$ 16,451	$ 218,784
Accrued salaries and benefits	—	—	38,930
Due to other funds	—	—	—
Total liabilities	—	16,451	257,714
Fund balances			
Restricted	—	207,788	15,298,125
Committed	96,994	—	—
Total fund balances	96,994	207,788	15,298,125
Total liabilities and fund balances	$ 96,994	$ 224,239	$ 15,555,839

Conservation Trust Fund	Public Safety Sales Tax Fund	Road Repair, Maintenance, & Improvement Sales Tax Fund	Total
$ 2,539,508	$ 15,656,682	$ 24,905,151	$ 57,741,642
—	11,830	—	11,830
—	4,909,775	7,000,801	13,147,347
$ 2,539,508	$ 20,578,287	$ 31,905,952	$ 70,900,819
$ 77,817	$ 351,992	$ 3,341,388	$ 4,006,432
83,361	592,456	—	714,747
—	21,265	—	21,265
161,178	965,713	3,341,388	4,742,444
2,378,330	19,612,574	28,564,564	66,061,381
—	—	—	96,994
2,378,330	19,612,574	28,564,564	66,158,375
$ 2,539,508	$ 20,578,287	$ 31,905,952	$ 70,900,819

CAPITAL, OPERATIONS AND MAINTENANCE SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2021

	Ballfield Capital Improvements Fund	Bicycle Tax Fund	Trails/Open Space Fund
Revenues			
Taxes	$ —	$ 96,158	$ 11,724,592
Intergovernmental	—	—	—
Charges for services	89,111	—	1,947
Investment earnings (loss)	(210)	(1,304)	(94,936)
Total revenues	88,901	94,854	11,631,603
Expenditures			
Current			
Public safety	—	—	—
Culture and recreation	—	—	3,440,573
Debt service			
Principal	—	—	—
Interest	—	—	—
Capital outlay	7,398	67,911	6,326,273
Total expenditures	7,398	67,911	9,766,846
Net change in fund balances	81,503	26,943	1,864,757
Fund balances - January 1	15,491	180,845	13,433,368
Fund balances - December 31	$ 96,994	$ 207,788	$ 15,298,125

Conservation Trust Fund	Public Safety Sales Tax Fund	Road Repair, Maintenance, & Improvement Sales Tax Fund	Total
$ —	$ 46,896,540	$ 67,022,162	$ 125,739,452
5,793,390	—	—	5,793,390
—	52,838	1,529	145,425
19,582	(23,694)	(10,734)	(111,296)
5,812,972	46,925,684	67,012,957	131,566,971
—	37,362,281	—	37,362,281
4,533,620	—	—	7,974,193
61,950	159,300	—	221,250
80,409	206,766	—	287,175
177,445	646,925	56,776,013	64,001,965
4,853,424	38,375,272	56,776,013	109,846,864
959,548	8,550,412	10,236,944	21,720,107
1,418,782	11,062,162	18,327,620	44,438,268
$ 2,378,330	$ 19,612,574	$ 28,564,564	$ 66,158,375

IMPROVEMENT AND MAINTENANCE DISTRICT
SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
December 31, 2021

	Old Colorado City Maintenance and Security District Fund	Norwood Special Improvement Maintenance District Fund	Briargate Special Improvement Maintenance District Fund	Stetson Hills Improvement Maintenance District Fund
ASSETS				
Cash and investments	$ 24,929	$ 425,468	$ 496,773	$ 167,818
Accounts receivable (net of allowance for uncollectibles)	1,017	7,443	9,049	3,100
Property taxes receivable	130,623	960,226	1,094,092	388,348
Total assets	$ 156,569	$ 1,393,137	$ 1,599,914	$ 559,266
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Liabilities				
Accounts payable	$ 587	$ 42,077	$ 20,639	$ 2,839
Accrued salaries and benefits	1,674	5,740	8,743	1,960
Due to other funds	1,102	—	1,353	—
Total liabilities	3,363	47,817	30,735	4,799
Deferred inflows of resources				
Unavailable revenue - property taxes	130,623	960,226	1,094,092	388,348
Total deferred inflows of resources	130,623	960,226	1,094,092	388,348
Fund balances				
Restricted	22,583	385,094	475,087	166,119
Total fund balances	22,583	385,094	475,087	166,119
Total liabilities, deferred inflows of resources and fund balances	$ 156,569	$ 1,393,137	$ 1,599,914	$ 559,266

Woodstone Improvement Maintenance District Fund	Gateway Improvement Maintenance District Fund	Platte Avenue Improvement Maintenance District Fund	Total
$ 38,134	$ 3,918	$ 26,868	$ 1,183,908
184	34	213	21,040
22,318	4,638	—	2,600,245
$ 60,636	$ 8,590	$ 27,081	$ 3,805,193
$ 72	$ 22	$ 35	$ 66,271
—	—	—	18,117
—	—	—	2,455
72	22	35	86,843
22,318	4,638	—	2,600,245
22,318	4,638	—	2,600,245
38,246	3,930	27,046	1,118,105
38,246	3,930	27,046	1,118,105
$ 60,636	$ 8,590	$ 27,081	$ 3,805,193

IMPROVEMENT AND MAINTENANCE DISTRICT
SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
For the year ended December 31, 2021

	Old Colorado City Maintenance and Security District Fund	Norwood Special Improvement Maintenance District Fund	Briargate Special Improvement Maintenance District Fund	Stetson Hills Improvement Maintenance District Fund
Revenues				
Taxes	$ 121,387	$ 884,518	$ 1,076,198	$ 368,680
Investment earnings (loss)	484	(1,488)	(1,775)	2,871
Total revenues	121,871	883,030	1,074,423	371,551
Expenditures				
Current				
Public works	125,763	722,332	1,031,314	410,529
Capital outlay	983	149,260	70,976	—
Total expenditures	126,746	871,592	1,102,290	410,529
Net change in fund balances	(4,875)	11,438	(27,867)	(38,978)
Fund balances - January 1	27,458	373,656	502,954	205,097
Fund balances - December 31	$ 22,583	$ 385,094	$ 475,087	$ 166,119

Woodstone Improvement Maintenance District Fund	Gateway Improvement Maintenance District Fund	Platte Avenue Improvement Maintenance District Fund	Total
$ 21,931	$ 4,033	$ 10,638	$ 2,487,385
570	66	323	1,051
22,501	4,099	10,961	2,488,436
42,256	7,165	13,647	2,353,006
—	—	—	221,219
42,256	7,165	13,647	2,574,225
(19,755)	(3,066)	(2,686)	(85,789)
58,001	6,996	29,732	1,203,894
$ 38,246	$ 3,930	$ 27,046	$ 1,118,105

	Public Space and Development Fund	Subdivision Drainage Fund	Arterial Roadway Fund	Park Developer Easement Fund	Banning Lewis Ranch Fund	Total
ASSETS						
Cash and investments	$ 12,157,510	$ 12,341,922	$ 2,521,705	$ 187,490	$ 3,222,588	$ 30,431,215
Accounts receivable (net of allowance for uncollectibles)	27,752	—	—	—	—	27,752
Total assets	$ 12,185,262	$ 12,341,922	$ 2,521,705	$ 187,490	$ 3,222,588	$ 30,458,967
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 762,365	$ —	$ —	$ —	$ —	$ 762,365
Deposits payable	—	—	—	—	424,039	424,039
Total liabilities	762,365	—	—	—	424,039	1,186,404
Fund balances						
Restricted	—	—	—	—	2,456,610	2,456,610
Committed	11,422,897	12,341,922	2,521,705	125,815	—	26,412,339
Assigned	—	—	—	61,675	341,939	403,614
Total fund balances	11,422,897	12,341,922	2,521,705	187,490	2,798,549	29,272,563
Total liabilities and fund balances	$ 12,185,262	$ 12,341,922	$ 2,521,705	$ 187,490	$ 3,222,588	$ 30,458,967

PUBLIC IMPROVEMENTS SPECIAL REVENUE FUNDS | **CITY OF COLORADO SPRINGS**
COMBINING STATEMENT OF REVENUES, EXPENDITURES | **COLORADO**
AND CHANGES IN FUND BALANCES | **Exhibit C-10**
For the year ended December 31, 2021

	Public Space and Development Fund	Subdivision Drainage Fund	Arterial Roadway Fund	Park Developer Easement Fund	Banning Lewis Ranch Fund	Total
Revenues						
Charges for services	$ 3,714,090	$ 9,818,230	$ 238,281	$ —	$ —	$ 13,770,601
Investment earnings (loss)	(78,564)	(57,795)	(16,592)	2,069	35,558	(115,324)
Total revenues	3,635,526	9,760,435	221,689	2,069	35,558	13,655,277
Expenditures						
Current						
Public works	—	5,278,681	7,002	114	1,955	5,287,752
Capital outlay	4,568,899	—	—	—	—	4,568,899
Total expenditures	4,568,899	5,278,681	7,002	114	1,955	9,856,651
Net change in fund balances	(933,373)	4,481,754	214,687	1,955	33,603	3,798,626
Fund balances - January 1	12,356,270	7,860,168	2,307,018	185,535	2,764,946	25,473,937
Fund balances - December 31	$ 11,422,897	$ 12,341,922	$ 2,521,705	$ 187,490	$ 2,798,549	$ 29,272,563

	Spring Creek General Improvement District	Briargate General Improvement District	MAB General Improvement District	Total
ASSETS				
Cash and investments	$ 34,177	$ 572,363	$ 275,690	$ 882,230
Accounts receivable (net of allowance for uncollectibles)	—	13,709	2,346	16,055
Property taxes receivable	—	652,688	274,440	927,128
Restricted cash	—	500,000	—	500,000
Total assets	$ 34,177	$ 1,738,760	$ 552,476	$ 2,325,413
DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
Deferred inflows of resources				
Unavailable revenue - property taxes	$ —	$ 652,688	$ 274,440	$ 927,128
Total deferred inflows of resources	—	652,688	274,440	927,128
Fund balances				
Restricted	34,177	1,086,072	278,036	1,398,285
Total fund balances	34,177	1,086,072	278,036	1,398,285
Total deferred inflows of resources and fund balances	$ 34,177	$ 1,738,760	$ 552,476	$ 2,325,413

OTHER PUBLIC IMPROVEMENTS SPECIAL REVENUE FUNDS | **CITY OF COLORADO SPRINGS**
COMBINING STATEMENT OF REVENUES, EXPENDITURES | **COLORADO**
AND CHANGES IN FUND BALANCES | **Exhibit C-12**
For the year ended December 31, 2021

	Spring Creek General Improvement District	Briargate General Improvement District	MAB General Improvement District	Total
Revenues				
Taxes	$ —	$ 1,611,002	$ 278,314	$ 1,889,316
Investment earnings	412	15,073	3,628	19,113
Total revenues	412	1,626,075	281,942	1,908,429
Expenditures				
Current				
General government	5,522	7,177	6,205	18,904
Debt service				
Principal	—	1,500,000	105,000	1,605,000
Interest	—	95,460	123,825	219,285
Total expenditures	5,522	1,602,637	235,030	1,843,189
Net change in fund balances	(5,110)	23,438	46,912	65,240
Fund balances - January 1	39,287	1,062,634	231,124	1,333,045
Fund balances - December 31	$ 34,177	$ 1,086,072	$ 278,036	$ 1,398,285

	Lodgers and Auto Rental Tax Fund	Street Tree Fund	Gift Trust Fund	Senior Programs Fund	Therapeutic Recreation Fund	Total
ASSETS						
Cash and investments	$ 3,650,298	$ 94,734	$ 4,165,653	$ 462,415	$ 4,870	$ 8,377,970
Accounts receivable (net of allowance for uncollectibles)	—	—	177,990	37,156	—	215,146
Sales tax receivable	521,455	—	—	—	—	521,455
Total assets	$ 4,171,753	$ 94,734	$ 4,343,643	$ 499,571	$ 4,870	$ 9,114,571
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 25,125	$ —	$ 32,232	$ —	$ —	$ 57,357
Total liabilities	25,125	—	32,232	—	—	57,357
Fund balances						
Restricted	4,146,628	—	4,311,411	—	—	8,458,039
Committed	—	94,734	—	499,571	4,870	599,175
Total fund balances	4,146,628	94,734	4,311,411	499,571	4,870	9,057,214
Total liabilities and fund balances	$ 4,171,753	$ 94,734	$ 4,343,643	$ 499,571	$ 4,870	$ 9,114,571

	Lodgers and Auto Rental Tax Fund	Street Tree Fund	Gift Trust Fund	Senior Programs Fund	Therapeutic Recreation Fund	Total
Revenues						
Taxes	$ 8,510,394	$ —	$ —	$ —	$ —	$ 8,510,394
Donations	—	—	1,419,103	7,400	—	1,426,503
Investment earnings (loss)	23,442	(713)	—	(3,900)	54	18,883
Rental income	—	—	—	166,688	—	166,688
Total revenues	8,533,836	(713)	1,419,103	170,188	54	10,122,468
Expenditures						
Current						
General government	6,572,732	—	237,583	—	—	6,810,315
Public safety	—	—	135,554	—	—	135,554
Public works	—	—	49,489	—	—	49,489
Culture and recreation	—	58	2,771,395	227,558	3	2,999,014
Total expenditures	6,572,732	58	3,194,021	227,558	3	9,994,372
Net change in fund balances	1,961,104	(771)	(1,774,918)	(57,370)	51	128,096
Fund balances - January 1	2,185,524	95,505	6,086,329	556,941	4,819	8,929,118
Fund balances - December 31	$ 4,146,628	$ 94,734	$ 4,311,411	$ 499,571	$ 4,870	$ 9,057,214

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Community Development Block Grant	$ 5,234,199	$ 5,234,199	$ —
Home Investment Partnership Fund	1,172,373	1,172,373	—
Grants Fund	70,019,327	70,019,327	—
Ballfield Capital Improvements Fund	79,400	88,901	9,501
Bicycle Tax Fund	82,400	94,854	12,454
Trails/Open Space Fund	9,903,080	11,631,603	1,728,523
Conservation Trust Fund	4,608,190	5,812,972	1,204,782
Public Safety Sales Tax Fund	38,925,158	46,925,684	8,000,526
Road Repair, Maintenance & Improvement Sales Tax Fund	54,900,500	67,012,957	12,112,457
Old Colorado City Maintenance and Security District Fund	123,798	121,871	(1,927)
Norwood Special Improvement Maintenance District Fund	894,221	883,030	(11,191)
Briargate Special Improvement Maintenance District Fund	1,089,224	1,074,423	(14,801)
Stetson Hills Improvement Maintenance District Fund	373,977	371,551	(2,426)
Woodstone Improvement Maintenance District Fund	22,790	22,501	(289)
Gateway Improvement Maintenance District Fund	4,219	4,099	(120)
Platte Avenue Improvement Maintenance District Fund	10,987	10,961	(26)
Public Space and Development Fund	2,314,000	3,635,526	1,321,526
Subdivision Drainage Fund	10,000,000	9,760,435	(239,565)
Arterial Roadway Fund	1,000,000	221,689	(778,311)
Park Developer Easement Fund	—	2,069	2,069
Banning Lewis Ranch Fund	49,900	35,558	(14,342)
Spring Creek General Improvement District	500	412	(88)
Briargate General Improvement District	1,611,194	1,626,075	14,881
MAB General Improvement District	282,284	281,942	(342)
Lodgers and Auto Rental Tax Fund	5,777,290	8,533,836	2,756,546
Street Tree Fund	1,200	(713)	(1,913)
Gift Trust Fund	3,650,000	1,419,103	(2,230,897)
Senior Programs Fund	229,000	170,188	(58,812)
Therapeutic Recreation Fund	100	54	(46)
Total revenues	$ 212,359,311	$ 236,167,480	$ 23,808,169

(continued)

	Final Budget	Actual	Variance Positive (Negative)
Expenditures			
Community Development Block Grant	$ 5,234,199	$ 5,234,199	$ —
Home Investment Partnership Fund	1,172,373	1,172,373	—
Grants Fund	70,019,327	70,019,327	—
Ballfield Capital Improvements Fund	35,250	7,398	27,852
Bicycle Tax Fund	263,345	67,911	195,434
Trails/Open Space Fund	20,527,087	9,766,846	10,760,241
Conservation Trust Fund	5,491,118	4,853,424	637,694
Public Safety Sales Tax Fund	43,605,116	38,375,272	5,229,844
Road Repair, Maintenance & Improvement Sales Tax Fund	72,956,840	56,776,013	16,180,827
Old Colorado City Maintenance and Security District Fund	135,102	126,746	8,356
Norwood Special Improvement Maintenance District Fund	1,050,951	871,592	179,359
Briargate Special Improvement Maintenance District Fund	1,405,183	1,102,290	302,893
Stetson Hills Improvement Maintenance District Fund	522,286	410,529	111,757
Woodstone Improvement Maintenance District Fund	41,644	42,256	(612)
Gateway Improvement Maintenance District Fund	8,583	7,165	1,418
Platte Avenue Improvement Maintenance District Fund	18,823	13,647	5,176
Public Space and Development Fund	9,221,702	4,568,899	4,652,803
Subdivision Drainage Fund	10,000,000	5,278,681	4,721,319
Arterial Roadway Fund	1,000,000	7,002	992,998
Park Developer Easement Fund	—	114	(114)
Banning Lewis Ranch Fund	5,489	1,955	3,534
Spring Creek General Improvement District	6,000	5,522	478
Briargate General Improvement District	1,604,460	1,602,637	1,823
MAB General Improvement District	236,825	235,030	1,795
Lodgers and Auto Rental Tax Fund	7,919,221	6,572,732	1,346,489
Street Tree Fund	35,767	58	35,709
Gift Trust Fund	3,765,436	3,194,021	571,415
Senior Programs Fund	259,000	227,558	31,442
Therapeutic Recreation Fund	50	3	47
Total expenditures	$ 256,541,177	$ 210,541,200	$ 45,999,977

COLORADO
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COLORADO SPRINGS
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2021

CAPITAL PROJECTS FUND

The Capital Projects Fund is 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.

City Funded CIP Construction Fund

	City Funded CIP Construction Fund
ASSETS	
Cash and investments	$ 26,719,899
Total assets	$ 26,719,899
LIABILITIES AND FUND BALANCES	
Liabilities	
Accounts payable	$ 1,153,761
Due to other funds	3,394,256
Total liabilities	4,548,017
Fund balances	
Committed	18,615,521
Assigned	3,556,361
Total fund balances	22,171,882
Total liabilities and fund balances	$ 26,719,899

CAPITAL PROJECTS FUND
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the year ended December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Exhibit D-2

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Other revenue	$ —	$ 470,340	$ 470,340
Investment earnings (loss)	508,000	(176,564)	(684,564)
Total revenues	508,000	293,776	(214,224)
Expenditures			
Debt service			
Principal	1,625,986	1,625,986	—
Interest	33,504	33,504	—
Capital outlay	29,367,477	10,315,984	19,051,493
Total expenditures	31,026,967	11,975,474	19,051,493
Deficiency of revenues over expenditures	(30,518,967)	(11,681,698)	18,837,269
Other financing sources			
Transfers - in	10,641,339	10,391,339	(250,000)
Total other financing sources	10,641,339	10,391,339	(250,000)
Net change in fund balance	(19,877,628)	(1,290,359)	18,587,269
Fund balance - January 1	23,462,241	23,462,241	—
Fund balance - December 31	$ 3,584,613	$ 22,171,882	$ 18,587,269

LOCAL HIGHWAY FINANCE REPORT	City or County: City of Colorado Springs
	YEAR ENDING : December 2021
This Information From The Records Of: City of Colorado Springs	Prepared By: City of Colorado Springs Finance Office Phone: (719) 385-5224

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	16,109,552
3. Other local imposts (from page 2)	99,836,163
4. Miscellaneous local receipts (from page 2)	4,249,746
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	—
7. Total (1 through 6)	120,195,461
B. Private Contributions	—
C. Receipts from State government	
(from page 2)	22,842,009
D. Receipts from Federal Government	
(from page 2)	—
E. Total receipts (A.7 + B + C + D)	143,037,470

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	89,753,602
2. Maintenance:	19,321,200
3. Road and street services:	
a. Traffic control operations	373,116
b. Snow and ice removal	2,777,309
c. Other	
d. Total (a. through c.)	3,150,425
4. General administration & miscellaneous	6,087,318
5. Highway law enforcement and safety	23,877,495
6. Total (1 through 5)	142,190,040
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	—
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	—
3. Total (1.c + 2.c)	—
C. Payments to State for highways	847,430
D. Payments to toll facilities	—
E. Total disbursements (A.6 + B.3 + C + D)	143,037,470

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	—			—
1. Bonds (Refunding Portion)				
B. Notes (Total)				—

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
—	143,037,470	143,037,470	—	—

Notes and Comments:

FORM FHWA-536 (Rev. 1-05) PREVIOUS EDITIONS OBSOLETE (Next Page)

LOCAL HIGHWAY FINANCE REPORT	STATE: Colorado
	YEAR ENDING (mm/yy): December 2021

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		**A.4. Miscellaneous local receipts:**	
a. Property Taxes and Assessments		a. Interest on investments	150,507
b. Other local imposts:		b. Traffic Fines & Penalities	4,099,239
1. Sales Taxes	95,790,266	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	920,167	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	3,125,730	g. Other Misc. Receipts	
6. Total (1. through 5.)	99,836,163	h. Other	
c. Total (a. + b.)	99,836,163	i. Total (a. through h.)	4,249,746
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes	21,212,747	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	—
c. Motor Vehicle Registrations	1,629,262	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify)		f. Other Federal	
f. Total (a. through e.)	1,629,262	g. Total (a. through f.)	—
4. Total (1. + 2. + 3.f)	22,842,009	3. Total (1. + 2.g)	—
	(Carry forward to page 1)		(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs	201,148	528,684	729,832
b. Engineering Costs	3,169,038	2,318,532	5,487,570
c. Construction:			
(1). New Facilities	—	3,453,708	3,453,708
(2). Capacity Improvements	1,245,441	(680,267)	565,174
(3). System Preservation	11,306,599	59,998,446	71,305,045
(4). System Enhancement & Operation	335	8,211,938	8,212,273
(5). Total Construction (1) + (2) + (3) + (4)	12,552,375	70,983,825	83,536,200
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	15,922,561	73,831,041	89,753,602
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE

COLORADO
SPRINGS
OLYMPIC CITY USA
CELEBRATE
COLORADO SPRINGS
150
1871
2021

PERMANENT FUNDS

Permanent funds are used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City's programs for the benefit of the City or its citizenry.

Cemetery Endowment Fund
Used to account for the investment activities of the Cemetery Endowment corpus with investment earnings used to finance cemetery operations.

C.D. Smith and TOPS Maintenance Trust Funds
Used to account for the investment activities of each fund's corpus with investment earnings used in accordance with trust provisions.

	C.D. Smith Trust Fund	Cemetery Endowment Fund	TOPS Maintenance Trust Fund	Total
ASSETS				
Cash and investments	$ 259,270	$ 25,463	$ 175,705	$ 460,438
Accounts receivable	7,708	3,511	—	11,219
Restricted investments	1,545,021	13,907,462	645,238	16,097,721
Total assets	$ 1,811,999	$ 13,936,436	$ 820,943	$ 16,569,378
FUND BALANCES				
Nonspendable	1,545,021	13,907,462	645,238	16,097,721
Restricted	266,978	28,974	175,705	471,657
Total fund balances	$ 1,811,999	$ 13,936,436	$ 820,943	$ 16,569,378

PERMANENT FUNDS **CITY OF COLORADO SPRINGS**
COMBINING STATEMENT OF REVENUES, EXPENDITURES **COLORADO**
AND CHANGES IN FUND BALANCES **Exhibit E-2**
For the year ended December 31, 2021

	C.D. Smith Trust Fund	Cemetery Endowment Fund	TOPS Maintenance Trust Fund	Total
Revenues				
Endowments	$ —	$ 73,351	$ —	$ 73,351
Investment earnings	417,950	1,251,011	2,249	1,671,210
Total revenues	417,950	1,324,362	2,249	1,744,561
Expenditures				
Current				
Culture and recreation	2,251	—	107	2,358
Total expenditures	2,251	—	107	2,358
Excess of revenues over expenditures	415,699	1,324,362	2,142	1,742,203
Other financing uses				
Transfers - out	—	(321,127)	—	(321,127)
Total other financing uses	—	(321,127)	—	(321,127)
Net change in fund balance	415,699	1,003,235	2,142	1,421,076
Fund balances - January 1	1,396,300	12,933,201	818,801	15,148,302
Fund balances - December 31	$ 1,811,999	$ 13,936,436	$ 820,943	$ 16,569,378

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
C.D. Smith Trust Fund	$ 75,000	$ 417,950	$ 342,950
Cemetery Endowment Fund	350,000	1,324,362	974,362
TOPS Maintenance Trust Fund	3,100	2,249	(851)
Total revenues	$ 428,100	$ 1,744,561	$ 1,316,461
Expenditures			
C.D. Smith Trust Fund	$ 75,000	$ 2,251	$ 72,749
Cemetery Endowment Fund	350,000	321,127	28,873
TOPS Maintenance Trust Fund	33,525	107	33,418
Total expenditures	$ 458,525	$ 323,485	$ 135,040

Note: Includes transfers.

NON-MAJOR PROPRIETARY FUNDS
ENTERPRISE FUNDS

Enterprise Funds account for the acquisition, operations and maintenance of the City's facilities and services supported by user charges or those for which the City has decided that periodic determination of the revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Airport Fund
Used to account for the activities of the City owned municipal airport.

Patty Jewett Golf Fund
Used to account for the activities of the City owned golf course.

Valley Hi Golf Fund
Used to account for the activities of the City owned golf course.

Pikes Peak America's Mountain Fund
Used to account for the activities of Pikes Peak America's Mountain.

Parking Fund
Used to account for the activities of the City owned parking system.

Cemetery Fund
Used to account for the activities of the two City owned cemeteries.

Development Review Fund
Used to account for the final implementation of City land use regulations and fire codes.

Stormwater Fund
Used to account for activities related to stormwater capital improvements and maintenance.

NON-MAJOR ENTERPRISE FUNDS
COMBINING BALANCE SHEET
December 31, 2021

	Airport Fund	Patty Jewett Golf Fund	Valley Hi Golf Fund	Pikes Peak America's Mountain Fund
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
Current assets				
Cash and investments - unrestricted	$ 35,565,781	$ 3,176,417	$ 956,167	$ 4,713,076
Cash and investments - restricted	874,943	—	—	—
Accounts receivable (net of allowance for uncollectibles)	9,416,251	22,874	9,417	39,232
Lease receivable	45,718	—	—	—
Notes receivable	269,151	—	—	—
Due from other funds	—	—	—	2,684
Inventories	1,134,764	—	—	45,044
Total current assets	47,306,608	3,199,291	965,584	4,800,036
Noncurrent assets				
Cash and investments - restricted	—	—	—	1,951,007
Lease receivable	2,008,528	—	—	—
Notes receivable	2,222,388	—	—	—
Net pension asset	35,295	—	—	—
Due from other funds	—	—	—	—
Capital assets:				
Land	17,556,526	60,000	931,200	667
Buildings	55,901,304	1,815,451	282,508	67,334,522
Construction in progress	5,134,792	44,810	—	—
Improvements other than buildings	325,160,738	2,375,474	1,510,289	11,634,428
Machinery and equipment	30,362,325	2,920,067	1,123,874	6,262,497
Infrastructure	38,912,259	—	—	—
Intangibles	652,943	—	—	—
Less accumulated depreciation	(206,366,108)	(5,635,695)	(2,811,622)	(9,736,612)
Total noncurrent assets	271,580,990	1,580,107	1,036,249	77,446,509
Total assets	318,887,598	4,779,398	2,001,833	82,246,545
Deferred outflows of resources				
Loss on debt refunding	—	—	—	—
Pension-related amounts	2,060,744	187,621	87,600	510,429
OPEB-related amounts	215,030	27,548	8,720	80,130
Total deferred outflows of resources	2,275,774	215,169	96,320	590,559
Total assets and deferred outflows of resources	$ 321,163,372	$ 4,994,567	$ 2,098,153	$ 82,837,104

Parking Fund	Cemetery Fund	Development Review Fund	Stormwater Fund	Total
$ 12,083,682	$ 1,265,526	$ 8,853,317	$ 10,007,004	$ 76,620,970
—	—	—	—	874,943
104,257	60,484	129,470	711,941	10,493,926
—	—	—	—	45,718
—	—	—	—	269,151
102,236	—	—	2,626,981	2,731,901
—	—	—	—	1,179,808
12,290,175	1,326,010	8,982,787	13,345,926	92,216,417
—	—	—	—	1,951,007
—	—	—	—	2,008,528
—	—	—	—	2,222,388
—	—	—	—	35,295
1,111,484	—	—	—	1,111,484
2,072,246	81,379	—	1,917,000	22,619,018
25,059,206	514,720	80,173	—	150,987,884
1,001,789	—	—	1,941,181	8,122,572
16,813,568	1,745,366	80,289	1,596,682	360,916,834
141,454	404,498	332,731	432,791	41,980,237
—	—	—	14,256,443	53,168,702
—	—	—	—	652,943
(22,298,983)	(2,267,507)	(238,614)	(788,083)	(250,143,224)
23,900,764	478,456	254,579	19,356,014	395,633,668
36,190,939	1,804,466	9,237,366	32,701,940	487,850,085
58,313	—	—	—	58,313
180,295	111,883	669,907	1,584,334	5,392,813
22,325	50,241	67,868	408,890	880,752
260,933	162,124	737,775	1,993,224	6,331,878
$ 36,451,872	$ 1,966,590	$ 9,975,141	$ 34,695,164	$ 494,181,963

(continued)

NON-MAJOR ENTERPRISE FUNDS
COMBINING BALANCE SHEET
December 31, 2021

	Airport Fund	Patty Jewett Golf Fund	Valley Hi Golf Fund	Pikes Peak America's Mountain Fund
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION				
Current liabilities				
Accounts payable	$ 2,640,358	$ 26,749	$ 36,744	$ 1,678,111
Accrued salaries and benefits	210,535	12,338	5,597	32,597
Compensated absences	35,675	5,132	1,639	4,530
Due to other funds	75,467	13,721	7,044	21,621
Unearned revenue	95,835	—	—	—
Accrued interest payable	382,626	—	—	117,236
Matured bonds payable	—	—	—	540,000
Notes payable	1,744,873	—	—	—
Capital lease payable	—	93,587	—	—
Total current liabilities	5,185,369	151,527	51,024	2,394,095
Noncurrent liabilities				
Compensated absences	677,818	97,503	31,134	86,067
Unearned revenue	1,713,270	—	—	—
Revenue bonds payable, net	—	—	—	30,056,938
Notes payable	14,929,757	—	—	—
Net pension liability	4,408,815	390,155	175,868	891,931
Net OPEB liability	898,980	123,974	41,841	281,312
Capital lease payable	—	193,055	—	—
Total noncurrent liabilities	22,628,640	804,687	248,843	31,316,248
Total liabilities	27,814,009	956,214	299,867	33,710,343
Deferred inflows of resources				
Pension-related amounts	4,710,055	452,588	190,191	964,574
OPEB-related amounts	354,076	51,958	15,193	122,579
Total deferred inflows of resources	5,064,131	504,546	205,384	1,087,153
Net position				
Net investment in capital assets	250,640,149	1,293,465	1,036,249	43,364,717
Restricted for passenger facility charges	553,594	—	—	—
Restricted for pension-related	35,295	—	—	—
Restricted for debt service	—	—	—	1,951,007
Unrestricted	37,056,194	2,240,342	556,653	2,723,884
Total net position	288,285,232	3,533,807	1,592,902	48,039,608
Total liabilities, deferred inflows of resources and net position	$ 321,163,372	$ 4,994,567	$ 2,098,153	$ 82,837,104

Parking Fund	Cemetery Fund	Development Review Fund	Stormwater Fund	Total
$ 350,949	$ 19,843	$ 12,232	$ 605,507	$ 5,370,493
21,340	7,866	47,560	73,490	411,323
2,009	3,043	5,762	8,469	66,259
10,472	1,658	—	2,685	132,668
—	—	2,531,310	—	2,627,145
9,295	—	—	—	509,157
750,000	—	—	—	1,290,000
—	—	—	—	1,744,873
—	—	—	—	93,587
1,144,065	32,410	2,596,864	690,151	12,245,505
38,177	57,812	109,475	160,913	1,258,899
—	1,103,083	—	—	2,816,353
3,840,000	—	—	—	33,896,938
—	—	—	—	14,929,757
324,304	240,052	905,571	3,118,755	10,455,451
80,174	195,937	178,185	467,688	2,268,091
—	—	—	—	193,055
4,282,655	1,596,884	1,193,231	3,747,356	65,818,544
5,426,720	1,629,294	3,790,095	4,437,507	78,064,049
375,291	293,911	979,325	3,498,070	11,464,005
36,539	79,214	61,835	139,113	860,507
411,830	373,125	1,041,160	3,637,183	12,324,512
18,257,593	478,456	254,579	19,356,014	334,681,222
—	—	—	—	553,594
—	—	—	—	35,295
—	—	—	—	1,951,007
12,355,729	(514,285)	4,889,307	7,264,460	66,572,284
30,613,322	(35,829)	5,143,886	26,620,474	403,793,402
$ 36,451,872	$ 1,966,590	$ 9,975,141	$ 34,695,164	$ 494,181,963

NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the year ended December 31, 2021

	Airport Fund	Patty Jewett Golf Fund	Valley Hi Golf Fund	Pikes Peak America's Mountain Fund
Operating revenues				
Charges for services	$ 20,822,844	$ 3,038,828	$ 1,285,748	$ 10,006,492
Operating expenses				
Salaries and benefits	16,790,583	694,542	348,685	1,764,990
Other operating expenses	3,661,642	1,331,818	826,963	1,448,364
Depreciation	17,587,139	221,145	22,152	1,762,038
Total operating expenses	38,039,364	2,247,505	1,197,800	4,975,392
Operating income (loss)	(17,216,520)	791,323	87,948	5,031,100
Nonoperating revenues (expenses)				
Investment earnings (loss)	98,440	(19,981)	(6,402)	(167,086)
Interest expense	(405,120)	(7,869)	—	(1,357,681)
Passenger facility charges	4,037,841	—	—	—
Customer facility charges	1,390,430	—	—	—
Gain/(loss) on disposal of capital assets	(11,312,320)	—	—	118,218
COVID-19 recovery grant	12,965,767	—	—	—
Miscellaneous	390,010	—	—	—
Total nonoperating revenues (expenses)	7,165,048	(27,850)	(6,402)	(1,406,549)
Income (loss) before contributions and transfers	(10,051,472)	763,473	81,546	3,624,551
Capital contributions	24,409,406	—	—	—
Transfers - in	—	—	—	—
Transfers - out	(52,000)	—	—	—
Change in net position	14,305,934	763,473	81,546	3,624,551
Total net position - January 1	273,979,298	2,770,334	1,511,356	44,415,057
Total net position - December 31	$288,285,232	$ 3,533,807	$ 1,592,902	$ 48,039,608

Parking Fund	Cemetery Fund	Development Review Fund	Stormwater Fund	Total
$ 7,909,902	$ 1,387,675	$ 3,018,414	$ 20,488,008	$ 67,957,911
797,587	412,010	2,099,406	5,152,601	28,060,404
2,786,093	1,104,118	643,572	6,881,954	18,684,524
1,231,188	80,642	42,268	443,668	21,390,240
4,814,868	1,596,770	2,785,246	12,478,223	68,135,168
3,095,034	(209,095)	233,168	8,009,785	(177,257)
(26,354)	(8,315)	(58,706)	(15,630)	(204,034)
(137,628)	—	—	—	(1,908,298)
—	—	—	—	4,037,841
—	—	—	—	1,390,430
—	21,602	—	(1,003,846)	(12,176,346)
—	—	—	—	12,965,767
9,000	—	—	—	399,010
(154,982)	13,287	(58,706)	(1,019,476)	4,504,370
2,940,052	(195,808)	174,462	6,990,309	4,327,113
—	—	—	469,799	24,879,205
—	321,127	—	—	321,127
—	—	—	—	(52,000)
2,940,052	125,319	174,462	7,460,108	29,475,445
27,673,270	(161,148)	4,969,424	19,160,366	374,317,957
$ 30,613,322	$ (35,829)	$ 5,143,886	$ 26,620,474	$ 403,793,402

NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	Airport Fund	Patty Jewett Golf Fund	Valley Hi Golf Fund	Pikes Peak America's Mountain Fund
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	$ 20,401,187	$ 3,022,938	$ 1,277,018	$ 9,965,339
Receipts from interfund services provided	470,527	—	—	—
Payments to suppliers	(1,342,890)	(654,344)	(377,041)	(450,679)
Payments to employees	(16,910,801)	(732,180)	(355,450)	(1,715,416)
Payments for interfund services used	(2,816,379)	(664,359)	(420,181)	(956,326)
Net cash provided (used) by operating activities	(198,356)	972,055	124,346	6,842,918
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Operating grant	13,263,528	—	—	—
Transfers - in	—	—	—	—
Net cash provided by noncapital financing activities	13,263,528	—	—	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Purchases of capital assets	(24,932,993)	(225,829)	—	(9,251,012)
Payments from accounts payable incurred for capital asset additions	(771,089)	—	—	(7,116,974)
Repayment of capital lease obligations	—	(91,680)	—	—
Principal paid on capital debt	(984,790)	—	—	(515,000)
Interest paid on capital debt	(297,736)	(7,869)	—	(1,432,457)
Proceeds received on capital debt	8,000,000	—	—	—
Proceeds from sale of capital assets	281,878	—	—	118,218
Capital grant	15,192,941	—	—	—
Passenger facility charges	3,593,561	—	—	—
Customer facility charges	1,324,010	—	—	—
Net cash provided (used) by capital and related financing activities	1,405,782	(325,378)	—	(18,197,225)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sales and maturities of investments	—	223,052	135,804	12,421,939
Purchases of investments	(15,143,072)	(891,606)	(268,391)	(1,322,939)
Interest and dividends received	245,675	29,152	9,464	95,390
Principal received on lease/note receivable	306,999	—	—	—
Interest received on lease/note receivable	296,627	—	—	—
Principal received from interfund loan	—	—	—	—
Interest received from interfund loan	—	—	—	—
Net cash provided (used) by investing activities	(14,293,771)	(639,402)	(123,123)	11,194,390
Net increase (decrease) in cash and cash equivalents	177,183	7,275	1,223	(159,917)
Cash and cash equivalents - January 1	295,486	34,940	11,485	222,553
Cash and cash equivalents - December 31	$ 472,669	$ 42,215	$ 12,708	$ 62,636
Cash and cash equivalents	$ 472,669	$ 42,215	$ 12,708	$ 62,636
Investments	35,968,055	3,134,202	943,459	6,601,447
Total cash and investments	$ 36,440,724	$ 3,176,417	$ 956,167	$ 6,664,083

Parking Fund	Cemetery Fund	Development Review Fund	Stormwater Fund	Total
$ 7,439,220	$ 1,410,541	$ 3,275,149	$ 19,600,657	$ 66,392,049
373,173	—	89,628	191,954	1,125,282
(2,096,163)	(945,221)	(319,749)	(4,043,234)	(10,229,321)
(847,809)	(417,967)	(1,946,753)	(3,276,235)	(26,202,611)
(447,499)	(151,560)	(321,672)	(3,083,268)	(8,861,244)
4,420,922	(104,207)	776,603	9,389,874	22,224,155
9,000	—	—	—	13,272,528
—	321,127	—	—	321,127
9,000	321,127	—	—	13,593,655
(1,832,900)	—	(91,327)	(2,055,957)	(38,390,018)
—	—	—	(1,170,348)	(9,058,411)
—	—	—	—	(91,680)
(735,000)	—	—	—	(2,234,790)
(129,398)	—	—	—	(1,867,460)
—	—	—	—	8,000,000
—	21,602	—	—	421,698
—	—	—	291,082	15,484,023
—	—	—	—	3,593,561
—	—	—	—	1,324,010
(2,697,298)	21,602	(91,327)	(2,935,223)	(22,819,067)
1,425,708	107,781	1,709,461	—	16,023,745
(3,391,834)	(355,227)	(2,485,085)	(6,441,774)	(30,299,928)
119,852	11,557	95,282	71,226	677,598
—	—	—	—	306,999
—	—	—	—	296,627
83,436	—	—	—	83,436
49,752	—	—	—	49,752
(1,713,086)	(235,889)	(680,342)	(6,370,548)	(12,861,771)
19,538	2,633	4,934	84,103	136,972
141,054	14,187	112,727	48,890	881,322
$ 160,592	$ 16,820	$ 117,661	$ 132,993	$ 1,018,294
$ 160,592	$ 16,820	$ 117,661	$ 132,993	$ 1,018,294
11,923,090	1,248,706	8,735,656	9,874,011	78,428,626
$ 12,083,682	$ 1,265,526	$ 8,853,317	$ 10,007,004	$ 79,446,920

(continued)

NON-MAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	Airport Fund	Patty Jewett Golf Fund	Valley Hi Golf Fund	Pikes Peak America's Mountain Fund
Reconciliation of operating income (loss) to net cash provided (used) by operating activities				
Operating income (loss)	$(17,216,520)	$ 791,323	$ 87,948	$ 5,031,100
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities				
Depreciation expense	17,587,139	221,145	22,152	1,762,038
Decrease (increase) in assets and outflows of resources				
Accounts receivable	107,204	(15,890)	(8,731)	(38,468)
Due from other funds	314	—	—	(2,684)
Inventories	(278,101)	—	—	(18,808)
Deferred outflows of resources - pensions	(182,698)	(51,367)	(29,429)	(141,879)
Deferred outflows of resources - OPEB	(3,665)	(814)	(338)	(8,585)
Net pension asset	(25,603)	—	—	—
Increase (decrease) in liabilities and inflows of resources				
Accounts and other payables	(250,820)	8,613	22,698	46,811
Accrued expenses	201,200	2,861	5,655	(4,101)
Due to other funds	31,297	4,503	7,044	13,353
Other liabilities	(58,651)	—	—	—
Deferred inflows of resources - pensions	2,190,023	212,248	89,350	483,728
Deferred inflows of resources - OPEB	220,628	34,126	8,781	71,932
Net pension liabilities	(2,268,125)	(197,308)	(70,618)	(280,926)
Net OPEB liabilities	(251,978)	(37,385)	(10,166)	(70,593)
Net cash provided (used) by operating activities	$ (198,356)	$ 972,055	$ 124,346	$ 6,842,918
Noncash investing, capital and financing activities				
Noncash acquisition of capital assets (incurrence of payable)	$ 2,028,575	$ —	$ —	$ 1,533,847
Noncash capital contributions	3,553,507	—	—	—
Change in fair value of investments	443,863	(49,133)	(15,866)	(262,465)

Parking Fund	Cemetery Fund	Development Review Fund	Stormwater Fund	Total
$ 3,095,034	$ (209,095)	$ 233,168	$ 8,009,785	$ (177,257)
1,231,188	80,642	42,268	443,668	21,390,240
(82,110)	(29,762)	26,285	338,009	296,537
(15,400)	—	—	(1,033,407)	(1,051,177)
—	—	—	—	(296,909)
(39,653)	(8,517)	(396,626)	1,683,280	833,111
(424)	(2,124)	(34,358)	120,580	70,272
—	—	—	—	(25,603)
218,275	7,607	2,155	(243,810)	(188,471)
17,762	6,004	43,308	(122,104)	150,585
1,742	(272)	—	(738)	56,929
—	52,630	320,075	—	314,054
161,660	137,716	579,584	1,641,391	5,495,700
19,140	66,685	38,292	47,423	507,007
(162,810)	(141,738)	(71,518)	(1,419,542)	(4,612,585)
(23,482)	(63,983)	(6,030)	(74,661)	(538,278)
$ 4,420,922	$ (104,207)	$ 776,603	$ 9,389,874	$ 22,224,155
$ 9,191	$ —	$ —	$ 444,276	$ 4,015,889
—	—	—	—	3,553,507
(195,956)	(19,872)	(153,988)	(86,856)	(340,273)

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Airport Fund	$ 62,536,962	$ 63,670,875	$ 1,133,913
Patty Jewett Golf Fund	2,855,638	3,067,980	212,342
Valley Hi Golf Fund	1,240,578	1,295,212	54,634
Pikes Peak America's Mountain Fund	9,676,543	10,101,871	425,328
Parking Fund	6,649,204	8,088,504	1,439,300
Cemetery Fund	1,562,222	1,720,359	158,137
Development Review Fund	2,691,550	3,113,696	422,146
Stormwater Fund	24,875,671	22,032,879	(2,842,792)
Total revenues	$ 112,088,368	113,091,376	$ 1,003,008
Reconciliation to GAAP:			
Add: Gain/(loss) on disposal of assets		(12,176,346)	
Less: Decrease in fair value of investments		(340,273)	
Revenues (US GAAP basis)		$ 100,574,757	

	Final Budget	Actual	Variance Positive (Negative)
Expenses			
Airport Fund	$ 73,758,235	$ 48,948,275	$ 24,809,960
Patty Jewett Golf Fund	3,019,232	2,392,124	627,108
Valley Hi Golf Fund	1,160,071	1,183,914	(23,843)
Pikes Peak America's Mountain Fund	21,249,197	15,922,845	5,326,352
Parking Fund	11,473,942	5,731,052	5,742,890
Cemetery Fund	1,562,372	1,522,373	39,999
Development Review Fund	2,960,373	2,701,989	258,384
Stormwater Fund	31,089,420	12,633,063	18,456,357
Total expenses	$ 146,272,842	91,035,635	$ 55,237,207
Reconciliation to GAAP:			
Add: Depreciation expense		21,390,240	
Add: Other year-end accrual entries		1,715,811	
Add: Transfer of capital assets		1,003,846	
Less: Capital asset purchases		(41,719,750)	
Less: Capital debt principal payments		(2,326,470)	
Expenses (US GAAP basis)		$ 71,099,312	

Note: Includes transfers

NON-MAJOR PROPRIETARY FUNDS
INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments of the City on a cost-reimbursement basis.

Claims Reserve Self-Insurance Fund
Used to account for self-insurance activities of the City (except Utilities) in the area of general liability.

Workers' Compensation Self-Insurance Fund
Used to account for the self-insurance activities related to employee workers' compensation.

Employee Benefits Self-Insurance Fund
Used to account for self-insurance activities of the City employee benefit program (except Utilities).

Office Services Fund
Used to account for printing and mailing services.

Radio Communications Fund
Used to account for radio services.

INTERNAL SERVICE FUNDS
COMBINING BALANCE SHEET
December 31, 2021

	Claims Reserve Self-Insurance Fund	Workers' Compensation Self-Insurance Fund
ASSETS		
Current assets		
Cash and investments	$ 2,911,618	$ 4,608,864
Accounts receivable (net of allowance for uncollectibles)	712	75
Inventories	—	—
Due from other funds	—	39,286
Total current assets	2,912,330	4,648,225
Noncurrent assets		
Capital assets:		
Land	—	—
Buildings	—	—
Improvements other than buildings	—	—
Machinery and equipment	—	41,433
Less accumulated depreciation	—	(41,433)
Total noncurrent assets	—	—
Total assets	$ 2,912,330	$ 4,648,225
LIABILITIES AND NET POSITION		
Current liabilities		
Accounts payable	$ 43,956	$ 64,456
Claims payable	5,413,000	8,694,500
Accrued salaries and benefits	5,944	24,812
Compensated absences	986	3,096
Due to other funds	—	—
Total current liabilities	5,463,886	8,786,864
Noncurrent liabilities		
Claims payable	—	8,694,500
Compensated absences	18,741	58,823
Total noncurrent liabilities	18,741	8,753,323
Total liabilities	5,482,627	17,540,187
Net position		
Net investment in capital assets	—	—
Unrestricted	(2,570,297)	(12,891,962)
Total net position	(2,570,297)	(12,891,962)
Total liabilities and net position	$ 2,912,330	$ 4,648,225

CITY OF COLORADO SPRINGS
COLORADO
Exhibit G-1

Employee Benefits Self-Insurance Fund	Office Services Fund	Radio Communications Fund	Total
$ —	$ 847,842	$ 538,062	$ 8,906,386
539,787	23,215	42,064	605,853
—	28,055	4,404	32,459
11,630	23,767	—	74,683
551,417	922,879	584,530	9,619,381
—	—	13,000	13,000
—	—	201,250	201,250
—	—	310,198	310,198
—	205,579	252,025	499,037
—	(143,445)	(532,390)	(717,268)
—	62,134	244,083	306,217
$ 551,417	$ 985,013	$ 828,613	$ 9,925,598
$ 2,740,907	$ 26,552	$ 13,127	$ 2,888,998
2,994,000	—	—	17,101,500
7,762	13,911	12,766	65,195
2,581	5,988	2,821	15,472
1,336,348	—	2,571	1,338,919
7,081,598	46,451	31,285	21,410,084
—	—	—	8,694,500
49,025	113,763	53,587	293,939
49,025	113,763	53,587	8,988,439
7,130,623	160,214	84,872	30,398,523
—	62,134	244,083	306,217
(6,579,206)	762,665	499,658	(20,779,142)
(6,579,206)	824,799	743,741	(20,472,925)
$ 551,417	$ 985,013	$ 828,613	$ 9,925,598

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
For the year ended December 31, 2021

	Claims Reserve Self-Insurance Fund	Workers' Compensation Self-Insurance Fund
Operating revenues		
Charges for services	$ 1,607,079	$ 9,079,524
Operating expenses		
Salaries and benefits	219,600	972,527
Other operating expenses	820,396	5,010,688
Depreciation	—	—
Total operating expenses	1,039,996	5,983,215
Operating income	567,083	3,096,309
Nonoperating revenues		
Investment loss	(15,345)	(19,441)
Change in net position	551,738	3,076,868
Total net position - January 1	(3,122,035)	(15,968,830)
Total net position - December 31	$ (2,570,297)	$ (12,891,962)

Employee Benefits Self-Insurance Fund	Office Services Fund	Radio Communications Fund	Total
$ 38,745,918	$ 1,947,050	$ 1,696,724	$ 53,076,295
1,149,818	632,004	599,810	3,573,759
35,402,630	1,096,585	990,054	43,320,353
—	13,625	27,269	40,894
36,552,448	1,742,214	1,617,133	46,935,006
2,193,470	204,836	79,591	6,141,289
—	(4,939)	(1,461)	(41,186)
2,193,470	199,897	78,130	6,100,103
(8,772,676)	624,902	665,611	(26,573,028)
$ (6,579,206)	$ 824,799	$ 743,741	$ (20,472,925)

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	Claims Reserve Self-Insurance Fund	Workers' Compensation Self-Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 24,867	$ 277,737
Receipts from interfund services provided	1,581,500	8,790,251
Payments to suppliers	(723,269)	(5,271,010)
Payments to employees	(213,271)	(950,903)
Payments for interfund services used	(5,982)	(1,025,145)
Net cash provided by operating activities	663,845	1,820,930
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Repayment of advance from other funds	—	—
Advance from other funds	—	—
Net cash used by noncapital financing activities	—	—
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Purchases of capital assets	—	—
Net cash used by capital and related financing activities	—	—
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales and maturities of investments	132,552	—
Purchases of investments	(817,278)	(1,836,421)
Interest and dividends received	28,566	38,275
Net cash used by investing activities	(656,160)	(1,798,146)
Net increase in cash and cash equivalents	7,685	22,784
Cash and cash equivalents - January 1	31,010	38,468
Cash and cash equivalents - December 31	$ 38,695	$ 61,252
Cash and cash equivalents	$ 38,695	$ 61,252
Investments	2,872,923	4,547,612
Total cash and investments	$ 2,911,618	$ 4,608,864

Employee Benefits Self-Insurance Fund	Office Services Fund	Radio Communications Fund	Total
$ 9,127,461	$ 258,624	$ 468,525	$ 10,157,214
29,971,648	1,669,005	1,248,595	43,260,999
(34,588,857)	(690,433)	(521,059)	(41,794,628)
(433,645)	(630,616)	(586,844)	(2,815,279)
(2,483,001)	(401,862)	(526,120)	(4,442,110)
1,593,606	204,718	83,097	4,366,196
(2,929,953)	—	—	(2,929,953)
1,336,347	—	—	1,336,347
(1,593,606)	—	—	(1,593,606)
—	(9,995)	—	(9,995)
—	(9,995)	—	(9,995)
—	37,680	61,597	231,829
—	(237,985)	(151,032)	(3,042,716)
—	7,833	7,235	81,909
—	(192,472)	(82,200)	(2,728,978)
—	2,251	897	33,617
—	9,017	6,254	84,749
$ —	$ 11,268	$ 7,151	$ 118,366
$ —	$ 11,268	$ 7,151	$ 118,366
—	836,574	530,911	8,788,020
$ —	$ 847,842	$ 538,062	$ 8,906,386

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
For the year ended December 31, 2021

	Claims Reserve Self-Insurance Fund	Workers' Compensation Self-Insurance Fund
Reconciliation of operating income to net cash provided by operating activities		
Operating income	$ 567,083	$ 3,096,309
Adjustments to reconcile operating income to net cash provided by operating activities		
Depreciation expense	—	—
Decrease (increase) in assets		
Accounts receivable	(712)	(75)
Due from other funds	—	(11,461)
Inventories	—	—
Increase (decrease) in liabilities		
Accounts and other payables	91,142	(1,285,466)
Accrued expenses	6,332	21,623
Due to other funds	—	—
Net cash provided by operating activities	$ 663,845	$ 1,820,930
Noncash investing, capital and financing activities		
Change in fair value of investments	$ (43,911)	$ (57,715)

Employee Benefits Self-Insurance Fund	Office Services Fund	Radio Communications Fund	Total
$ 2,193,470	$ 204,836	$ 79,591	$ 6,141,289
—	13,625	27,269	40,894
352,986	163	20,397	372,759
203	(19,584)	—	(30,842)
—	(4,919)	3,858	(1,061)
(960,577)	9,209	(63,552)	(2,209,244)
7,524	1,388	12,964	49,831
—	—	2,570	2,570
$ 1,593,606	$ 204,718	$ 83,097	$ 4,366,196
$ —	$ (12,772)	$ (8,696)	$ (123,094)

INTERNAL SERVICES FUND
SCHEDULE OF REVENUES AND
EXPENSES-BUDGET AND ACTUAL-BUDGET BASIS
For the year ended December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Exhibit G-4

	Final Budget	Actual	Variance Positive (Negative)
Revenues			
Claims Reserve Self-Insurance Fund	$ 1,604,100	$ 1,635,645	$ 31,545
Workers' Compensation Self-Insurance Fund	8,259,853	9,117,798	857,945
Employee Benefits Self-Insurance Fund	36,077,669	38,745,918	2,668,249
Office Services Fund	1,822,149	1,954,883	132,734
Radio Communications Fund	1,685,153	1,703,959	18,806
Total revenues	$ 49,448,924	53,158,203	$ 3,709,279
Reconciliation to GAAP:			
Less: Decrease in fair value of investments		(123,094)	
Revenues (US GAAP basis)		$ 53,035,109	

	Final Budget	Actual	Variance Positive (Negative)
Expenses			
Claims Reserve Self-Insurance Fund	$ 1,604,100	$ 944,724	$ 659,376
Workers' Compensation Self-Insurance Fund	9,056,239	6,277,004	2,779,235
Employee Benefits Self-Insurance Fund	38,110,924	38,008,417	102,507
Office Services Fund	1,822,149	1,747,029	75,120
Radio Communications Fund	1,651,023	1,577,490	73,533
Total expenses	$ 52,244,435	48,554,664	$ 3,689,771
Reconciliation to GAAP:			
Add: Depreciation expense		40,894	
Less: Capital asset purchases		(9,995)	
Less: Other year-end accrual entries		(1,650,557)	
Expenses (US GAAP basis)		$ 46,935,006	

Note: Includes transfers

FIDUCIARY FUNDS

Fiduciary funds are used to report Old Hire Police and Old Hire Fire pension trust funds, which account for the activities in these City Police and Fire pension plans. These funds accumulate resources for pension benefit payments to qualified public safety employees.

	Old Hire Fire Pension Trust Fund	Old Hire Police Pension Trust Fund	Total Pension Trust Funds
ASSETS			
Pension assets held by Fire and Police Pension Association			
Pooled investment funds	$ 73,430,895	$ 63,191,841	$ 136,622,736
Total assets	$ 73,430,895	$ 63,191,841	$ 136,622,736
NET POSITION			
Net position restricted for pensions	$ 73,430,895	$ 63,191,841	$ 136,622,736

FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES
IN FIDUCIARY NET POSITION
For the year ended December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Exhibit H-2

	Old Hire Fire Pension Trust Fund	Old Hire Police Pension Trust Fund	Total Pension Trust Funds
Additions			
City contributions	$ 3,076,512	$ 2,120,342	$ 5,196,854
Total contributions	3,076,512	2,120,342	5,196,854
Investment earnings:			
Net increase in fair value of investments	7,900,283	6,762,343	14,662,626
Interest, dividends, and other	780,452	668,498	1,448,950
Total investment earnings	8,680,735	7,430,841	16,111,576
Less investment costs	511,740	438,599	950,339
Net investment earnings	8,168,995	6,992,242	15,161,237
Total additions	11,245,507	9,112,584	20,358,091
Deductions			
Benefits paid to participants or beneficiaries	8,814,946	6,868,937	15,683,883
Administrative expense	40,431	31,741	72,172
Total deductions	8,855,377	6,900,678	15,756,055
Net increase in fiduciary net position	2,390,130	2,211,906	4,602,036
Net position restricted for pensions - January 1	71,040,765	60,979,935	132,020,700
Net position restricted for pensions - December 31	$ 73,430,895	$ 63,191,841	$ 136,622,736

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STATISTICAL SECTION

The statistical section includes six categories of information:

Financial Trend Analysis:

This section is intended to assist in understanding and assessing how the City's financial position has changed over time. Tables 1 through 4 include current and prior years information on net position and fund balances.

Revenue Capacity Analysis:

This section is intended to assist in understanding and assessing factors affecting the City's ability to generate its own source revenues. The City's largest own source revenue is the City's sales tax. Tables 5 through 7 provide data related to the City's sales tax collected, direct and overlapping sales and use tax rates and the City's taxpayers by industry.

Debt Capacity Analysis:

This section is intended to assist in understanding and assessing the City's tax burden and its ability to issue additional debt. Tables 8 through 12 outline various debt analysis including direct and overlapping debt, legal debt margin and pledged revenue coverage.

Demographic and Economic Analysis:

This section is intended to assist in (1) understanding the socioeconomic environment within which the City operates and (2) providing information to facilitate comparisons of financial statement information over time and among governments. Tables 13 through 15 provide information on various demographic and economic statistics, principal employers, and full time equivalent City government employees.

Operating Analysis:

This section is intended to provide contextual information about the City's operations and resources to assist in using the financial statement information in understanding the City's economic condition. Tables 16 and 17 provide statistical information on operating indicators and capital assets.

Other Information:

Other tables required for disclosure are also included in this section. Tables 18 through 21 provide sales and use tax revenue collection costs and required refunds, assessed valuations, property tax levies and collections, direct and overlapping mill levy rates, landfill closure and postclosure costs.

NET POSITION BY COMPONENT
Last ten fiscal years

	Fiscal Year			
	2021	2020	2019	2018
Governmental activities				
Net investment in capital assets	$ 1,553,161,705	$ 1,480,807,235	$ 1,413,603,440	$ 1,379,549,497
Restricted	89,745,144	40,763,006	36,632,780	47,078,513
Unrestricted	(63,175,857)	(80,551,115)	(81,798,147)	(130,182,875)
Total governmental activities net position	$ 1,579,730,992	$ 1,441,019,126	$ 1,368,438,073	$ 1,296,445,135
Business-type activities				
Net investment in capital assets	$ 2,165,919,222	$ 2,090,953,267	$ 2,229,703,432	$ 2,109,118,989
Restricted	53,140,896	67,324,018	57,212,559	41,771,236
Unrestricted	74,064,859	1,869,084	(59,476,898)	(136,986,951)
Total business-type activities net position	$ 2,293,124,977	$ 2,160,146,369	$ 2,227,439,093	$ 2,013,903,274
Primary government				
Net investment in capital assets	$ 3,719,080,927	$ 3,571,760,502	$ 3,643,306,872	$ 3,488,668,486
Restricted	142,886,040	108,087,024	93,845,339	88,849,749
Unrestricted	10,889,002	(78,682,031)	(141,275,045)	(267,169,826)
Total primary government net position	$ 3,872,855,969	$ 3,601,165,495	$ 3,595,877,166	$ 3,310,348,409

CITY OF COLORADO SPRINGS
COLORADO
Table 1

Fiscal Year					
2017	**2016**	**2015**	**2014**	**2013**	**2012**
$ 1,320,601,473	$ 1,248,000,610	$ 1,246,630,036	$ 1,247,391,126	$ 1,222,445,299	$ 1,204,660,019
38,015,920	43,747,103	28,406,351	23,557,193	20,966,471	19,196,709
(100,500,356)	(89,121,095)	(79,724,995)	72,305,489	74,861,853	85,263,142
$ 1,258,117,037	$ 1,202,626,618	$ 1,195,311,392	$ 1,343,253,808	$ 1,318,273,623	$ 1,309,119,870
$ 1,962,444,943	$ 1,872,057,076	$ 1,731,137,866	$ 1,566,906,671	$ 1,423,336,171	$ 1,313,687,876
46,297,314	51,102,001	69,882,674	61,330,543	42,190,406	81,754,874
(69,559,753)	(49,050,476)	(63,038,610)	156,215,483	224,351,377	351,354,252
$ 1,939,182,504	$ 1,874,108,601	$ 1,737,981,930	$ 1,784,452,697	$ 1,689,877,954	$ 1,746,797,002
$ 3,283,046,416	$ 3,120,057,686	$ 2,977,767,902	$ 2,814,297,797	$ 2,645,781,470	$ 2,518,347,895
84,313,234	94,849,104	98,289,025	84,887,736	63,156,877	100,951,583
(170,060,109)	(138,171,571)	(142,763,605)	228,520,972	299,213,230	436,617,394
$ 3,197,299,541	$ 3,076,735,219	$ 2,933,293,322	$ 3,127,706,505	$ 3,008,151,577	$ 3,055,916,872

CHANGES IN NET POSITION
Last ten fiscal years

	Fiscal Year			
	2021	2020	2019	2018
Expenses				
Governmental activities:				
General government	$ 97,875,879	$ 99,253,639	$ 75,779,622	$ 109,660,430
Public safety	228,308,702	245,421,258	230,131,163	181,773,131
Planning	—	—	12,198,087	7,957,832
Planning and community development	34,230,738	11,967,295	—	—
Public works	137,529,243	138,423,494	118,032,617	141,233,041
Parks	33,604,107	27,732,987	29,426,437	26,268,032
Health and welfare	—	—	—	—
Culture and recreation	—	—	—	—
Urban redevelopment and housing	—	—	—	—
Economic development	—	—	—	—
Interest on long-term debt	2,247,332	2,414,226	2,047,097	1,975,934
Total governmental activities	533,796,001	525,212,899	467,615,023	468,868,400
Business-type activities:				
Utilities	988,254,359	764,323,344	741,238,248	818,765,578
PACE	58,349,000	58,949,000	59,525,000	59,945,000
MHS	2,616,309	2,945,094	2,987,413	3,052,496
Other non-major enterprises	75,216,983	53,259,512	54,212,096	40,715,626
Total business-type activities	1,124,436,651	879,476,950	857,962,757	922,478,700
Total primary government expenses	$ 1,658,232,652	$ 1,404,689,849	$ 1,325,577,780	$ 1,391,347,100
Program Revenues				
Governmental activities:				
Charges for services:				
General government	$ 28,668,757	$ 25,017,621	$ 25,884,456	$ 27,461,626
Public safety	8,125,925	6,500,328	7,154,791	6,951,073
Planning	—	—	2,132,235	2,061,979
Planning and community development	5,065,099	5,502,211	—	—
Public works	22,262,058	21,772,133	16,962,729	14,883,995
Parks	3,068,559	2,220,471	3,044,391	3,018,873
Culture and recreation	—	—	—	—
Urban redevelopment and housing	—	—	—	—
Economic development	—	—	—	—
Operating grants and contributions	62,779,812	73,426,500	36,420,060	24,963,955
Capital grants and contributions	110,453,890	81,129,207	82,048,509	100,366,905
Total governmental activities	$ 240,424,100	$ 215,568,471	$ 173,647,171	$ 179,708,406

Note: The City adopted GASB Statement No. 61 in 2013, which requires PACE to be presented as a blended component unit.

Fiscal Year					
2017	2016	2015	2014	2013	2012
$ 101,607,259	$ 65,304,997	$ 64,459,559	$ 66,869,211	$ 57,776,797	$ 58,618,337
187,325,052	190,623,311	168,628,903	168,664,690	158,517,649	149,168,556
7,924,192	—	—	—	—	—
—	22,968,689	12,523,168	—	—	—
130,509,017	120,721,459	83,608,555	78,015,459	80,476,208	74,045,666
26,088,482	28,826,273	24,400,726	—	—	—
—	—	—	1,083,268	1,057,832	1,274,298
—	—	—	27,008,991	22,344,456	22,238,048
—	—	—	5,721,466	4,775,034	6,803,814
—	—	—	3,811,264	3,292,753	2,711,136
2,289,562	2,415,117	2,875,505	3,397,967	4,683,225	4,867,183
455,743,564	430,859,846	356,496,416	354,572,316	332,923,954	319,727,038
793,109,339	681,776,411	672,816,293	783,594,844	805,232,795	749,375,429
60,277,000	60,545,000	60,810,000	60,995,000	61,041,000	—
3,035,965	3,175,469	3,285,813	620,537	431,000	431,645,000
42,098,307	36,515,165	39,347,633	37,810,511	47,044,893	43,356,373
898,520,611	782,012,045	776,259,739	883,020,892	913,749,688	1,224,376,802
$ 1,354,264,175	$ 1,212,871,891	$ 1,132,756,155	$ 1,237,593,208	$ 1,246,673,642	$ 1,544,103,840
$ 16,985,911	$ 20,800,595	$ 19,975,243	$ 20,374,166	$ 11,468,448	$ 14,284,808
7,355,565	6,742,276	6,930,898	6,413,558	4,796,826	5,032,930
2,019,143	—	—	—	—	—
—	—	—	—	—	—
12,470,148	12,632,805	9,695,070	7,897,929	7,647,033	5,189,248
2,866,225	3,341,163	2,940,722	—	—	—
—	—	—	2,655,107	2,394,630	2,343,078
—	—	—	236,679	550,014	2,126,074
—	—	—	1,000	—	—
18,571,546	20,758,053	22,588,951	15,399,529	21,514,697	20,121,901
121,233,985	59,514,382	47,827,449	80,881,804	60,360,011	77,975,257
$ 181,502,523	$ 123,789,274	$ 109,958,333	$ 133,859,772	$ 108,731,659	$ 127,073,296

CHANGES IN NET POSITION
Last ten fiscal years

	Fiscal Year			
	2021	2020	2019	2018
Business-type activities:				
Charges for services:				
Utilities	$ 1,065,754,000	$ 884,352,000	$ 893,026,000	$ 890,477,000
PACE	51,042,000	50,567,000	50,108,000	49,628,000
MHS	—	—	—	—
Other non-major enterprises	67,957,911	54,813,785	58,792,179	47,893,293
Operating grants and contributions	12,965,767	—	—	—
Capital grants and contributions	92,952,205	81,513,770	87,202,848	70,293,975
Total business-type activities	1,290,671,883	1,071,246,555	1,089,129,027	1,058,292,268
Total primary government program revenues	$ 1,531,095,983	$ 1,286,815,026	$ 1,262,776,198	$ 1,238,000,674
Net revenue (expense)				
Governmental activities	$ (293,371,901)	$ (309,644,428)	$ (293,967,852)	$ (289,159,994)
Business-type activities	166,235,232	191,769,605	231,166,270	135,813,568
Total primary government net revenue (expense)	$ (127,136,669)	$ (117,874,823)	$ (62,801,582)	$ (153,346,426)
General revenues and other changes in net position				
Governmental activities:				
Taxes:				
Property taxes	$ 27,817,945	$ 27,477,739	$ 23,841,133	$ 23,475,282
Sales taxes	361,657,264	295,619,090	292,419,454	286,918,740
Specific ownership taxes	3,590,096	3,358,601	3,279,689	3,374,149
Occupational liquor taxes	327,883	324,337	315,546	304,686
Admissions tax	284,149	157,444	575,495	605,403
Bicycle excise tax	96,158	100,802	57,612	78,284
Investment earnings	133,202	8,414,431	8,122,461	2,259,245
Gain on sale of capital assets	—	1,265,590	1,242,627	1,376,263
Contributions to endowments	73,351	66,576	62,074	70,976
Transfers	38,103,719	45,440,871	36,044,699	30,141,965
Total governmental activities	432,083,767	382,225,481	365,960,790	348,604,993
Business-type activities:				
Investment earnings	4,707,275	12,067,326	17,150,551	12,406,763
Gain on sale of capital assets	139,820	2,406,216	1,263,697	—
Loss on defeasance and repayment of long-term debt	—	—	—	—
Extraordinary item	—	—	—	—
Special item	—	(228,095,000)	—	—
Transfers	(38,103,719)	(45,440,871)	(36,044,699)	(30,141,965)
Total business-type activities	(33,256,624)	(259,062,329)	(17,630,451)	(17,735,202)
Total primary government general revenues and other changes	$ 398,827,143	$ 123,163,152	$ 348,330,339	$ 330,869,791
Change in net position				
Governmental activities	$ 138,711,866	$ 72,581,053	$ 71,992,938	$ 59,444,999
Business-type activities	132,978,608	(67,292,724)	213,535,819	118,078,366
Total primary government change in net position	$ 271,690,474	$ 5,288,329	$ 285,528,757	$ 177,523,365

Note: The City adopted GASB Statement No. 61 in 2013, which requires PACE to be presented as a blended component unit.

Fiscal Year					
2017	2016	2015	2014	2013	2012
$ 839,822,000	$ 793,293,000	$ 830,821,000	$ 868,846,000	$ 823,760,000	$ 849,746,000
49,148,000	48,654,000	48,150,000	47,641,000	47,085,000	—
—	—	—	—	—	415,872,000
36,013,711	32,830,447	31,592,365	31,029,462	35,699,603	33,843,316
—	—	—	—	—	—
61,096,647	76,081,834	46,213,579	60,238,372	57,956,449	68,939,203
986,080,358	950,859,281	956,776,944	1,007,754,834	964,501,052	1,368,400,519
$ 1,167,582,881	$ 1,074,648,555	$ 1,066,735,277	$ 1,141,614,606	$ 1,073,232,711	$ 1,495,473,815
$ (274,241,041)	$ (307,070,572)	$ (246,538,083)	$ (220,712,544)	$ (224,192,295)	$ (192,653,742)
87,559,747	168,847,236	180,517,205	124,733,942	50,751,364	144,023,717
$ (186,681,294)	$ (138,223,336)	$ (66,020,878)	$ (95,978,602)	$ (173,440,931)	$ (48,630,025)
$ 22,190,678	$ 23,390,221	$ 22,540,418	$ 22,862,535	$ 24,283,843	$ 22,897,112
268,547,457	252,544,859	190,269,766	185,615,186	172,706,230	163,975,846
3,395,628	2,846,855	2,611,736	2,478,710	2,343,653	2,222,285
291,426	280,240	273,125	266,803	264,539	259,820
503,955	503,199	469,933	509,696	432,317	476,030
77,140	85,746	83,080	81,032	78,760	90,536
1,645,386	1,147,142	1,082,201	1,379,491	1,102,409	1,783,647
1,260,228	2,389,154	135,015	326,919	995,844	—
1,338,973	171,160	80,485	83,086	70,965	78,943
30,480,589	31,027,222	30,725,000	32,055,000	32,116,530	33,145,262
329,731,460	314,385,798	248,270,759	245,658,458	234,395,090	224,929,481
7,994,745	8,117,657	7,111,047	4,534,754	4,070,731	18,412,607
—	—	—	—	—	—
—	—	—	—	—	(47,903,000)
—	—	—	—	(507,000)	—
—	(9,811,000)	—	—	—	(372,358,584)
(30,480,589)	(31,027,222)	(30,725,000)	(32,055,000)	(32,116,530)	(33,145,262)
(22,485,844)	(32,720,565)	(23,613,953)	(27,520,246)	(28,552,799)	(434,994,239)
$ 307,245,616	$ 281,665,233	$ 224,656,806	$ 218,138,212	$ 205,842,291	$ (210,064,758)
$ 55,490,419	$ 7,315,226	$ 1,732,676	$ 24,945,914	$ 10,202,795	$ 32,275,739
65,073,903	136,126,671	156,903,252	97,213,696	22,198,565	(290,970,522)
$ 120,564,322	$ 143,441,897	$ 158,635,928	$ 122,159,610	$ 32,401,360	$ (258,694,783)

FUND BALANCES OF GOVERNMENTAL FUNDS
Last ten fiscal years

	Fiscal Year			
	2021	**2020**	**2019**	**2018**
General fund				
Nonspendable	$ 275,710	$ 314,487	$ 267,873	$ 299,253
Restricted	52,418,171	19,726,250	21,453,968	21,315,406
Committed	13,725,459	16,606,280	8,619,660	14,812,118
Assigned	10,250,941	7,516,635	3,271,255	5,218,259
Unassigned	72,282,536	82,295,044	51,208,209	31,892,186
Total general fund	$ 148,952,817	$ 126,458,696	$ 84,820,965	$ 73,537,222
All other governmental funds				
Nonspendable	$ 16,097,721	$ 14,709,687	$ 13,199,141	$ 11,410,452
Restricted	79,964,077	58,126,794	66,424,359	53,061,975
Committed	45,724,029	42,929,762	33,683,967	29,880,201
Assigned	3,959,975	4,222,562	9,272,911	2,800,134
Total all other governmental funds	$ 145,745,802	$ 119,988,805	$ 122,580,378	$ 97,152,762

CITY OF COLORADO SPRINGS
COLORADO
Table 3

Fiscal Year					
2017	**2016**	**2015**	**2014**	**2013**	**2012**
$ 291,430	$ 365,732	$ 384,475	$ 450,771	$ 133,289	$ 132,999
22,881,977	30,049,266	7,545,287	9,996,781	8,182,418	7,547,036
10,470,218	5,234,626	6,150,522	6,369,071	5,565,912	3,857,623
7,783,758	4,042,429	3,629,733	2,937,924	8,070,526	3,212,142
32,322,036	29,290,407	32,707,058	33,950,373	35,115,277	47,194,174
$ 73,749,419	$ 68,982,460	$ 50,417,075	$ 53,704,920	$ 57,067,422	$ 61,943,974
$ 12,294,033	$ 11,162,249	$ 11,195,086	$ 11,540,728	$ 11,049,247	$ 10,440,549
51,226,624	48,084,352	34,619,120	33,433,127	30,599,345	32,237,097
23,078,768	23,230,678	21,439,222	16,622,140	14,015,208	11,107,290
1,845,149	856,356	245,488	1,050,454	847,687	32,259
$ 88,444,574	$ 83,333,635	$ 67,498,916	$ 62,646,449	$ 56,511,487	$ 53,817,195

CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Last ten fiscal years

	Fiscal Year			
	2021	2020	2019	2018
Revenues				
Taxes	$ 393,773,495	$ 327,038,013	$ 320,488,929	$ 314,756,544
Licenses and permits	—	—	—	—
Licenses, permits and fines	10,263,799	8,702,782	10,068,157	7,873,189
Intergovernmental	106,170,371	107,556,349	80,885,614	68,996,748
Charges for services	34,816,704	33,326,352	29,685,094	26,834,822
Endowments and donations	1,499,854	3,005,744	3,820,491	1,845,510
Other revenue	9,703,812	7,721,596	7,893,331	7,604,283
Interfund services provided	10,574,577	8,045,494	7,502,200	6,917,339
Investment earnings	178,952	8,239,439	7,882,201	1,986,453
Rental income	220,465	268,537	419,232	478,850
Total revenues	567,202,029	503,904,306	468,645,249	437,293,738
Expenditures				
General government	92,264,862	87,782,199	83,717,293	76,027,262
Public safety	229,451,344	210,066,967	212,865,070	187,304,322
Planning	—	—	12,073,572	7,780,318
Planning and community development	34,418,944	11,845,861	—	—
Public works	54,874,846	57,250,219	56,847,630	58,917,887
Parks	28,777,268	22,936,508	25,189,127	23,364,222
Health and welfare	—	—	—	—
Culture and recreation	—	—	—	—
Urban redevelopment and housing	—	—	—	—
Economic development	—	—	—	—
Miscellaneous	—	—	22,461	18,199
Debt service				
Principal	10,382,098	10,216,347	9,166,475	6,864,565
Interest	2,255,702	2,451,305	1,997,549	1,990,333
Issuance expense	—	—	266,544	—
Capital outlay	110,146,029	109,264,107	88,763,142	105,294,562
Total expenditures	562,571,093	511,813,513	490,908,863	467,561,670
Deficiency of revenues under expenditures	4,630,936	(7,909,207)	(22,263,614)	(30,267,932)
Other financing sources (uses)				
Transfers - in	47,812,339	40,271,985	45,095,199	43,771,245
Transfers - out	(10,712,466)	(5,097,427)	(11,017,348)	(12,096,375)
Issuance of debt	—	—	9,000,000	—
Payment on refunding bonds	—	—	—	—
Premium on bonds issued	—	—	1,602,734	—
Capital lease financing	4,154,688	10,515,217	13,051,761	5,712,792
Loss on investments	—	—	—	—
Sale of capital assets	2,365,621	1,265,590	1,242,627	1,376,261
Total other financing sources (uses)	43,620,182	46,955,365	58,974,973	38,763,923
Net change in fund balances	$ 48,251,118	$ 39,046,158	$ 36,711,359	$ 8,495,991
Debt service as a percentage of noncapital expenditures	2.5 %	2.9 %	2.6 %	2.2 %

Note: Prior to 2014, reimbursements from other funds were offset against its corresponding expense. This change was implemented to provide better comparisons to budget.

Fiscal Year					
2017	2016	2015	2014	2013	2012
$ 295,006,284	$ 279,651,120	$ 216,248,058	$ 211,813,962	$ 200,109,342	$ 189,921,630
—	—	—	1,860,374	1,940,283	1,761,529
6,327,465	6,571,781	7,216,901	—	—	—
69,428,549	59,298,336	57,047,283	51,801,244	49,448,348	51,689,187
25,891,928	26,036,068	22,254,241	24,395,457	22,180,061	20,532,487
3,236,664	2,037,905	2,154,590	1,498,184	1,282,267	1,584,805
3,476,744	5,799,418	3,404,021	3,242,165	2,410,136	4,742,492
6,762,691	7,022,399	7,613,978	7,997,266	—	—
1,571,506	1,143,834	1,059,514	1,388,369	1,115,418	1,752,286
407,287	419,745	249,746	588,703	589,610	570,703
412,109,118	387,980,606	317,248,332	304,585,724	279,075,465	272,555,119
73,012,905	52,896,927	55,772,800	56,713,784	56,098,731	48,772,398
177,723,464	170,809,396	168,750,783	159,829,593	149,890,554	145,044,874
7,858,733	15,740,999	—	—	—	—
—	—	10,279,313	—	—	—
60,324,119	51,168,691	46,688,517	38,414,786	38,659,424	32,353,857
23,585,967	25,670,280	21,701,668	—	—	—
—	—	—	1,080,000	1,040,000	1,270,179
—	—	—	22,720,707	18,044,391	18,718,313
—	—	—	4,952,651	4,402,839	6,531,559
—	—	—	3,799,765	3,237,248	2,702,372
18,417	22,597	24,352	14,708	670,525	1,160,787
5,143,602	6,067,329	10,933,009	13,334,381	14,397,183	13,352,897
2,443,203	2,414,008	2,916,884	3,437,765	4,803,195	5,079,904
270,998	—	—	—	—	—
87,074,558	75,270,238	30,211,685	29,987,604	24,582,564	16,958,479
437,455,966	400,060,465	347,279,011	334,285,744	315,826,654	291,945,619
(25,346,848)	(12,079,859)	(30,030,679)	(29,700,020)	(36,751,189)	(19,390,500)
39,343,387	47,515,435	45,666,562	42,711,618	42,406,999	40,886,014
(8,862,798)	(16,799,425)	(13,768,280)	(10,656,618)	(10,622,278)	(6,740,752)
29,930,000	13,690,000	—	8,960,000	—	—
(31,647,240)	—	—	(8,856,720)	—	—
1,988,238	—	—	—	—	—
3,212,931	1,844,224	—	—	1,776,674	2,402,394
—	—	(438,002)	—	—	—
1,260,228	229,729	135,021	314,200	1,007,534	169,107
35,224,746	46,479,963	31,595,301	32,472,480	34,568,929	36,716,763
$ 9,877,898	$ 34,400,104	$ 1,564,622	$ 2,772,460	$ (2,182,260)	$ 17,326,263
2.0 %	2.4 %	4.4 %	5.4 %	6.5 %	7.4 %

SALES AND USE TAX REVENUE
Last ten fiscal years

CITY OF COLORADO SPRINGS
COLORADO
Table 5

Fiscal Year	City Sales and Use Tax	Public Safety Sales and Use Tax	Road Repair Maintenance and Improvement Tax	Trails, Open Space and Parks Sales and Use Tax	Total Direct Tax Rate
2012	$ 126,925,671	$ 25,385,133	$ —	$ 6,346,282	2.50%
2013	134,068,394	26,813,678	—	6,703,421	2.50%
2014	142,102,152	28,420,430	—	7,105,106	2.50%
2015	148,658,292	29,731,659	—	7,432,914	2.50%
2016	162,067,524	32,413,507	49,743,080	8,103,376	3.12%
2017	170,186,924	34,037,386	52,744,961	8,509,345	3.12%
2018	181,242,818	36,248,564	56,176,843	9,062,141	3.12%
2019	185,508,324	37,101,665	57,539,153	9,275,416	3.12%
2020	186,289,844	37,257,968	57,756,132	9,314,492	3.12%
2021	231,164,344	46,232,869	65,918,263	11,558,217	3.07%

Source: City Sales Tax Division Reports.

	City Direct Rates					Overlapping Rates		
Fiscal Year	City Sales and Use Tax (%)	Public Safety Sales and Use Tax (%)	Trails, Open Space and Parks Sales and Use Tax (%)	Road Repair Maintenance and Improvement Tax (%)	Total Direct (%)	El Paso County Sales Tax (%)	Pikes Peak Rural Transportation Authority Tax (%)	Total Direct and Overlapping Rates (%)
2012	2.00	0.40	0.10	0.00	2.50	1.00	1.00[1]	4.50
2013	2.00	0.40	0.10	0.00	2.50	1.23[2]	1.00	4.73
2014	2.00	0.40	0.10	0.00	2.50	1.23	1.00	4.73
2015	2.00	0.40	0.10	0.00	2.50	1.23	1.00	4.73
2016	2.00	0.40	0.10	0.62[3]	3.12	1.23	1.00	5.35
2017	2.00	0.40	0.10	0.62	3.12	1.23	1.00	5.35
2018	2.00	0.40	0.10	0.62	3.12	1.23	1.00	5.35
2019	2.00	0.40	0.10	0.62	3.12	1.23	1.00	5.35
2020	2.00	0.40	0.10	0.62	3.12	1.23	1.00	5.35
2021	2.00	0.40	0.10	0.57[4]	3.07	1.23	1.00	5.30

Note: In April 1991, voters approved City Charter Amendment #3, entitled the "Taxpayers Bill of Rights." A similar statewide constitutional amendment was passed in November 1992. One of the provisions of this amendment is that advance voter approval is necessary for any new tax or tax increase.

[1]In November 2012, voters in EPC, Colorado Springs, Manitou Springs, Green Mountain Falls, and Ramah approved an extension of the capital portion of PPRTA, which is 55% of the 1-cent sales and use tax. This extends the PPRTA tax through 2024.

[2]In November 2012, voters in EPC approved an increase to the EPC sales tax rate by .23 of 1-cent. The increased tax rate was effective as of January 1, 2013. The sales tax increase has a sunset date of January 1, 2029. The .23% is to be used for public safety critical needs as explained in EPC Resolution No. 12-309.

[3]In November 2015, voters in Colorado Springs approved a sales and use tax of .62 of 1-cent to be used for road repair and maintenance. The increased tax rate was effective as of January 1, 2016, with a sunset date of January 1, 2021. On November 5, 2019, voters approved a five year extension with a lower rate. The extended tax rate represents a reduction from .62 to .57 of 1-cent from January 1, 2021, through December 31, 2025.

[4]In November 2019, voters in Colorado Springs passed Issue 2C2, agreeing to continue investment in our roads for years 2021-2025, at a sales tax rate of .57 of 1-cent. The .57% will continue to be used for road repair and maintenance in Colorado Springs.

SALES AND USE TAXPAYERS BY INDUSTRY

Current year and nine years ago

Industry	Fiscal Year 2021 Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax	Fiscal Year 2012 Sales and Use Tax Amount	Rank	Percentage of Total City Sales and Use Tax
Building materials	$ 50,437,821	1	15.82 %	$ —	—	—
Miscellaneous retail	44,705,320	2	14.02 %	21,002,208	1	13.05 %
Auto dealers	42,550,196	3	13.35 %	18,895,822	4	11.74 %
Restaurants	37,688,413	4	11.82 %	20,856,123	2	12.96 %
Department and discount stores	25,996,211	5	8.16 %	19,328,803	3	12.01 %
Miscellaneous non-retail	—	—	—	18,798,665	5	11.68 %
	$ 201,377,961		63.17 %	$ 98,881,621		61.44 %

Source: Sales Tax Division.

Note: Due to requirements under the City Charter, the names of the ten largest revenue payers are confidential. The industry categories listed provide alternative information regarding the sources of the City's revenue.

PROPERTY TAXPAYERS
Current year

Taxpayer	Type of Business	Fiscal Year 2021 Assessed Valuation	Percentage of Total City Assessed Value
Cellco Partnership (f/k/a Verizon Wireless)	Utility	$ 106,061,680	1.71 %
Amazon.Com Services LLC	eCommerce fulfillment service	54,678,910	0.88 %
Broadmoor Hotel Inc	Resort hotel	46,997,130	0.76 %
Wal-Mart Real Estate	Discount retail	46,603,920	0.75 %
ENT Credit Union	Banking services	22,518,380	0.36 %
TRP Colorado Springs LLC	Investment services	16,081,760	0.26 %
DPIX	Imaging solutions manufacturer	14,261,830	0.23 %
Altera Development Co	Real estate company	13,891,490	0.22 %
2424 GOTG LLC	Real estate company	12,338,330	0.20 %
Hines Global Reit II	Real estate company	11,510,090	0.19 %
		$ 344,943,520	5.56 %

Source: El Paso County Treasurer's office.

Note: See Table 19 for the City's assessed value information.

Property taxpayer information is included for continuing disclosure requirements on bonds. As such, only current year data is presented.

	Governmental Activities (in 000's)					Business-Type Activities (in 000's)					
Fiscal Year	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Lease/ Lease Purchase	Capital Leases	Revenue Bonds	Notes Payable	Capital Leases	Total Primary Government (in 000's)	Percentage of Personal Income[1]	Per Capita
2012	$ 15,270	$ 24,030	$ 41,805	$ —	$ 16,190	$2,285,310	$ 30,558	$ 1,208	$ 2,414,371	8.88 %	$5,563
2013	14,272	17,544	41,345	—	4,622	3,061,246	21,417	649	3,161,095	11.45	7,191
2014	13,624	10,081	39,476	—	1,133	3,106,294	21,467	272	3,192,347	10.98	7,197
2015	12,190	2,635	37,512	—	814	3,042,226	54,169	—	3,149,546	10.39	6,982
2016	11,455	—	35,433	13,690	1,951	2,952,994	103,077	888	3,119,488	9.85	6,774
2017	10,695	—	34,632	12,445	4,125	2,969,753	30,130	651	3,062,431	9.09	6,554
2018	9,805	—	32,176	11,150	7,469	3,011,814	12,126	409	3,084,949	8.54	6,499
2019	6,985	—	41,594	9,835	16,515	2,879,823	8,981	162	2,963,895	7.77	6,194
2020	5,130	—	40,372	8,495	21,004	2,861,582	14,490	378	2,951,451	7.23	6,158
2021	3,525	—	39,281	7,135	18,662	2,959,274	21,074	286	3,049,237	6.97	6,309

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.
Beginning with 2013, debt amounts are net of related premiums, discounts, and adjustments.

[1]Personal income and population data was updated for prior years and can be found on Table 13.

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
Last ten fiscal years

CITY OF COLORADO SPRINGS
COLORADO
Table 9

Fiscal Year	General Obligation Bonds (in 000's)	Less: Non-City Obligations (in 000's) [2]	City General Obligation Bonds (in 000's)	Assessed Value of Property (in 000's)	Percentage of Assessed Value of Property	Per Capita [1]
2012	$ 15,270	$ 15,270	$ —	$ 4,601,619	—	$ —
2013	14,272	14,272	—	4,600,222	—	—
2014	13,624	13,624	—	4,608,210	—	—
2015	12,190	12,190	—	4,678,625	—	—
2016	11,455	11,455	—	4,985,582	—	—
2017	10,695	10,695	—	5,048,413	—	—
2018	9,805	9,805	—	5,414,794	—	—
2019	6,985	6,985	—	5,508,082	—	—
2020	5,130	5,130	—	6,280,902	—	—
2021	3,525	3,525	—	6,220,352	—	—

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Beginning with 2013, debt amounts are net of related premiums, discounts, and adjustments.

[1]Population data can be found on Table 13.

[2]Non-City Obligations represent general obligation bonds of the City's blended component units. These bonds are to be repaid solely by funds provided by the property owners within the geographical boundaries of the component units.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
As of December 31, 2021

CITY OF COLORADO SPRINGS
COLORADO
Table 10

Governmental Unit	Estimated Percentage Applicable	Debt Outstanding	Estimated Share of Overlapping Debt	Debt Outstanding (Excluding COPs)	Estimated Share of Overlapping Debt (Excluding COPs)
El Paso County	71.65 %	$ 89,252,880	$ 63,953,742	$ 2,012,880	$ 1,442,320
Harrison School District #2	92.07 %	128,695,992	118,490,306	128,695,992	118,490,306
Widefield School District #3	3.68 %	55,310,559	2,034,590	55,310,559	2,034,590
Fountain/Fort Carson School District #8	0.03 %	11,100,969	3,693	225,969	75
Colorado Springs School District #11	91.67 %	99,451,906	91,166,468	84,101,906	77,095,292
Cheyenne Mountain School District #12	97.57 %	53,850,627	52,542,421	53,850,627	52,542,421
Academy School District #20	84.97 %	300,788,862	255,591,480	300,788,862	255,591,480
Ellicott School District #22	0.16 %	1,680,581	2,629	1,680,581	2,629
Falcon School District #49	51.62 %	150,227,976	77,548,585	8,864,020	4,575,660
Barnes & Powers North BID	100.00 %	3,194,912	3,194,912	3,194,912	3,194,912
Barnes & Powers South BID	100.00 %	330,000	330,000	330,000	330,000
Briargate Center BID	100.00 %	11,122,105	11,122,105	11,122,105	11,122,105
Creekwalk Marketplace BID	100.00 %	43,482,599	43,482,599	43,482,599	43,482,599
CS Downtown Development Authority	100.00 %	1,350,000	1,350,000	1,350,000	1,350,000
CS Urban Renewal Authority	100.00 %	110,106,475	110,106,475	110,106,475	110,106,475
First & Main BID	100.00 %	1,325,000	1,325,000	1,325,000	1,325,000
First & Main No.2 BID	100.00 %	27,361,044	27,361,044	27,361,044	27,361,044
First & Main North BID	100.00 %	1,557,753	1,557,753	1,557,753	1,557,753
Interquest North BID	100.00 %	18,188,044	18,188,044	18,188,044	18,188,044
Interquest South BID	100.00 %	4,665,606	4,665,606	4,665,606	4,665,606
Interquest Town Center BID	100.00 %	2,974,783	2,974,783	2,974,783	2,974,783
MW Retail BID	100.00 %	33,208	33,208	33,208	33,208
Park Union BID	100.00 %	27,934,617	27,934,617	27,934,617	27,934,617
Powers & Woodmen BID	100.00 %	3,774,538	3,774,538	3,774,538	3,774,538
Total overlapping debt			918,734,598		769,175,457
City direct debt			68,603,000		29,322,000
Total direct and overlapping debt			$ 987,337,598		$ 798,497,457

Sources: Assessed value data used to estimate applicable percentages is provided by the El Paso County Assessor's office final certification letter dated November 25, 2020. Debt outstanding data provided by each governmental unit.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City.

This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Debt Outstanding values include General Obligation bonds, Certificates of Participation (COP), Capital Leases, and other types of debt, net of related premiums, discounts, and adjustments.

Legal debt margin calculation for fiscal year 2021

Assessed value-2020 for 2021 taxes	$6,220,352
Debt limit (10% of assessed value)[1]	622,035
Debt applicable to limit:	
General obligation bonds	—
Total net debt applicable to limit	—
Legal debt margin	$ 622,035

	Fiscal Year									
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Debt limit	$ 622,035	$ 628,090	$ 550,808	$ 541,479	$ 504,841	$ 498,558	$ 467,862	$ 460,821	$ 460,022	$ 460,162
Total net debt applicable to limit	—	—	—	—	—	—	—	—	—	—
Legal debt limit	$ 622,035	$ 628,090	$ 550,808	$ 541,479	$ 504,841	$ 498,558	$ 467,862	$ 460,821	$ 460,022	$ 460,162
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

[1]Based upon the last preceding assessment per City Charter § 7-80(b).

Fiscal Year	Utilities Revenue Bonds: Applicable Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage	Parking Revenue Bonds: Applicable Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2012	$ 896,096	$ 558,295	$ 337,801	$ 47,441	$ 103,702	2.23	$ 3,868	$ 1,519	$ 2,349	$ 545	$ 511	2.22
2013	862,958	548,839	314,119	52,285	101,908	2.04	3,965	1,783	2,182	570	488	2.06
2014	906,466	566,921	339,545	57,295	105,303	2.09	4,382	1,804	2,578	595	463	2.44
2015	868,080	493,616	374,464	61,457	105,828	2.24	4,498	2,104	2,394	655	433	2.20
2016	837,827	495,749	342,078	68,637	106,472	1.95	4,683	1,751	2,932	695	215	3.22
2017	883,994	521,799	362,195	71,980	103,440	2.06	4,768	1,902	2,866	710	199	3.15
2018	940,065	548,679	391,386	75,614	106,924	2.14	4,855	2,114	2,741	720	181	3.04
2019	946,907	529,572	417,335	81,947	104,036	2.24	5,080	2,515	2,565	700	164	2.97
2020	947,570	505,838	441,732	89,045	107,245	2.25	5,191	2,420	2,771	715	147	3.22
2021	1,119,194	783,162	336,032	88,715	100,014	1.78	8,039	2,652	5,387	735	129	6.23

Fiscal Year	Public Authority for Colorado Energy Revenue Bonds: Net Applicable Revenues	Debt Service Principal	Debt Service Interest	Coverage		Pikes Peak America's Mountain Revenue Bonds: Applicable Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage
2012	—	—	—	—		—	—	—	—	—	—
2013	$ 29,605	$ 5,795	$ 40,616	0.64	[1]	—	—	—	—	—	—
2014	29,984	6,690	40,282	0.64		—	—	—	—	—	—
2015	30,313	7,600	39,898	0.64		—	—	—	—	—	—
2016	30,627	8,535	39,461	0.64		—	—	—	—	—	—
2017	30,953	9,535	38,970	0.64		—	—	—	—	—	—
2018	31,291	10,580	38,422	0.64		$ 10,672	$ 4,532	$ 6,140	$ —	$ —	—
2019	31,590	11,680	37,813	0.64		13,562	4,853	8,709	400	1,551	4.46
2020	31,890	12,860	37,098	0.64		10,825	5,585	5,240	490	1,457	2.69
2021	32,017	14,120	36,310	0.63		9,839	3,213	6,626	515	1,433	3.40

Fiscal Year	Airport Revenue Bonds: Applicable Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Principal	Debt Service Interest	Coverage		Sales and Use Tax Revenue Bonds: Sales and Use Tax Collections	Debt Service Principal	Debt Service Interest	Coverage
2012	$ 21,306	$ 14,342	$ 6,964	$ 3,180	$ 2,056	1.33		$ 128,019	$ 6,720	$ 1,124	16.32
2013	20,440	13,314	7,126	3,350	1,887	1.36		134,751	6,925	922	17.17
2014	16,081	12,712	3,369	1,395	1,172	1.31		144,887	7,130	713	18.47
2015	17,270	12,782	4,488	1,565	862	1.85		148,056	7,340	499	18.89
2016	15,822	11,822	4,000	990	473	2.74		156,716	2,635	132	56.64
2017	13,900	14,373	(473)	1,040	423	(0.32)	[2]	—	—	—	—
2018	—	—	—	—	—	—		—	—	—	—
2019	—	—	—	—	—	—		—	—	—	—
2020	—	—	—	—	—	—		—	—	—	—
2021	—	—	—	—	—	—		—	—	—	—

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

[1]The City adopted GASB Statement No. 61 in 2013, which requires PACE to be presented as a blended component unit.

[2]The Airport believes that it is in compliance with the bond covenants based on the second criteria stated in the bond documents. Under the second criteria, the calculated debt service coverage is 4.81. These bonds were defeased in 2018.

DEMOGRAPHIC AND ECONOMIC STATISTICS
Last ten fiscal years

CITY OF COLORADO SPRINGS
COLORADO
Table 13

Fiscal Year	Population[1]	Personal Income (in 000's)[2]	Per Capital Personal Income[2]	Unemployment Rate[3]
2012	433,979 *	$ 27,180,204	$ 40,622	8.2 %
2013	439,614 *	27,596,635	40,680	6.7 %
2014	443,553 *	29,082,644	42,379	4.9 %
2015	451,067 *	30,319,650	43,447	3.8 %
2016	460,505 *	31,668,303	44,458	3.0 %
2017	467,285 *	33,681,400	46,529	3.2 %
2018	474,691 *	36,128,371	49,007	3.7 %
2019	478,506 *	38,125,082	51,120	2.8 %
2020	479,257 *	40,832,263	54,166	7.4 %
2021	483,334 *	43,731,675 *	57,393 *	4.3 % *

Sources:

[1]Colorado Department of Local Affairs, Demography section.

[2]U.S. Department of Commerce, Bureau of Economic Analysis for Colorado Springs, CO Metropolitian Statistical Area (MSA).

[3]U.S. Department of Labor, Bureau of Labor Statistics for City of Colorado Springs, CO MSA.

*Estimate

PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago

CITY OF COLORADO SPRINGS
COLORADO
Table 14

	2021		2012	
Employer	**Rank**	**Percentage of Total County Employment**	**Rank**	**Percentage of Total County Employment**
Fort Carson	1	12.5 %	1	12.1 %
Peterson Space Force Base[2]	2	3.7 %	2	4.9 %
Schriever Space Force Base[3]	3	2.8 %	3	3.4 %
United States Air Force Academy	4	2.7 %	4	2.7 %
UCHealth - Memorial Health System	5	2.1 %	5	2.0 %
Amazon	6	1.7 %	—	— %
Penrose St. Francis Health Services/Centura	7	1.2 %	8	1.1 %
School District # 11 - Colorado Springs	8	1.1 %	6	1.7 %
School District # 20 - Air Academy	9	1.1 %	7	1.2 %
City of Colorado Springs[1]	10	1.0 %	9	1.0 %
El Paso County	—	— %	10	0.9 %
		29.9 %		31.0 %

Source: The Colorado Springs Chamber & Economic Development Corporation and U.S. Department of Labor, Bureau of Labor Statistics for El Paso County, CO

[1]City of Colorado Springs includes the total of all full-time equivalent employees (FTE's) in all funds and enterprises except Colorado Springs Utilities and Memorial Health System.

[2]Peterson Space Force Base previously known as Peterson Air Force Base

[3]Schriever Space Force Base previously known as Schriever Air Force Base

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
Last ten fiscal years

CITY OF COLORADO SPRINGS COLORADO
Table 15

Function/Program	Fiscal Year 2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
General government	375.25	366.25	341.75	326.75	308.25	257.25	256.25	256.25	253.15	285.08
Public safety	1,633.00	1,612.00	1,584.00	1,516.00	1,478.00	1,471.00	1,470.50	1,407.75	1,382.75	1,366.75
Public works	259.00	189.00	188.00	187.00	245.00	212.00	208.00	207.50	274.00	281.00
Culture and recreation	—	—	—	—	—	—	—	114.25	112.75	111.50
Parks	163.00	162.75	158.75	147.75	139.75	138.75	132.75	—	—	—
Planning	—	—	55.00	44.00	40.00	—	—	—	—	—
Planning and community development	57.00	57.00	—	—	—	63.00	33.00	—	—	—
Urban redevelopment and housing	—	—	—	—	—	—	—	32.00	31.00	34.00
Utilities	1,818.00	1,825.75	1,821.50	1,824.00	1,824.00	1,824.00	1,824.00	1,874.00	1,859.00	1,859.00
Airport	106.00	104.00	102.00	100.00	98.00	95.00	93.00	96.00	121.00	122.00
Parking	10.00	11.00	10.00	9.50	8.50	8.50	8.50	8.50	7.50	7.50
Stormwater[1]	31.00	73.00	73.00	67.00	—	—	—	—	—	—
Other non-major enterprise funds	58.00	52.00	51.00	50.00	50.00	51.00	49.50	47.00	47.00	49.00
Total	4,510.25	4,452.75	4,385.00	4,272.00	4,191.50	4,120.50	4,075.50	4,043.25	4,088.15	4,115.83

Sources: Various City departments and Utilities.

Notes: Function/Program FTE count previously included all other non-Enterprise and non-General Fund positions in General Government. Historical full-time equivalent (FTE) count has been updated to reflect the department in which staff resides.

[1] In November 2017, the voters of Colorado Springs approved Issue 2A, which established and authorized a stormwater fee. The fee was effective as of July 1, 2018.

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OPERATING INDICATORS BY FUNCTION/PROGRAM
Last ten fiscal years

	Fiscal Year		
Function/Program	**2021**	**2020**	**2019**
General government			
Internal audits completed	24	32	26
Summons filed	57,096	29,854	43,491
Contractual transactions	3,759	2,622	3,366
Workers compensation claims	363	373	440
Public safety			
Emergency response time - Police	12	11	12
Percent of emergency incident arrival within 8 minutes - Fire	66	71	86
Violent and property crime rates (per 1,000 population)	42	42	43
Emergency incidents (per 10,000 population)	1,444	1,316	1,407
Public works [1]			
Miles resurfaced	851	1,106	701
Fixed route transit revenue hours of service	163,655	182,242	197,014
Painted lane miles	871	1,304	886
Culture and recreation			
Cultural services attendance	287,780	221,351	476,964
Street and park trees	350,000	350,000	300,000
Acres of parks maintained	15,641	15,592	14,875
Recreation service program participants	241,904	244,307	755,482
Community development			
Projects managed	6	6	5
Affordable housing developed and rehabilitated	220	193	127
Clients assisted	499	628	156
Utilities			
Total metered customers [2]	591,836	579,315	579,315
Annual natural gas moved through pipes (thousands of mcf)	23,603	21,892	21,892
Electric use (thousands of MWh)	4,839	4,850	4,850
Water use (millions of gallons)	24,400	24,900	24,900
Wastewater treatment (millions of gallons)	13,465	13,717	13,717
MHS [3]			
Admissions	—	—	—
Outpatient visits	—	—	—
Emergency visits	—	—	—
Births	—	—	—
Airport			
Passenger boardings (in thousands)	936	364	844
Airline revenue per enplaned passengers	$ 11.82	$ 8.08	$ 4.48
Parking			
Revenues collected per space - on-street	$ 1,685	$ 984	$ 1,016
Revenues collected per space - off-street	$ 1,088	$ 876	$ 873
Other			
Cemetery - burial services	683	526	629
Golf courses - rounds played	161,570	153,946	148,033
Pikes Peak America's Mountain - number of visitors	550,381	527,418	592,569

Sources: City, MHS and Utilities staff reports and websites.

1 Maintenance programs may be funded by City and other entity sources.

2 Some customers have multiple services and may be counted more than once.

3 Beginning in 2012, as a result of the MHS lease, MHS figures are no longer included.

Fiscal Year						
2018	2017	2016	2015	2014	2013	2012
35	33	26	39	33	26	26
29,625	22,000	29,731	36,676	37,928	29,066	34,499
3,431	3,434	3,350	3,533	2,255	2,726	2,897
380	346	405	353	426	451	386
12	12	14	13	13	13	12
87	88	89	88	89	90	90
43	38	40	40	40	46	40
1,450	1,472	1,471	1,417	1,340	1,284	1,272
995	1,432	1,133	187	115	109	178
179,546	163,025	150,399	130,653	120,031	108,441	112,877
1,147	1,414	830	801	1,465	1,355	1,398
484,281	451,689	379,938	343,124	324,337	256,389	192,280
284,094	284,600	284,800	213,207	213,874	214,670	218,000
14,831	14,479	14,807	15,063	14,527	16,277	16,184
763,555	791,234	765,539	664,283	646,744	602,271	691,105
8	9	6	6	6	12	17
48	295	108	69	156	122	135
83	295	108	69	156	122	288
579,315	558,570	558,570	547,764	540,990	537,096	537,096
21,891	22,354	22,603	23,816	20,602	23,376	23,376
4,750	4,580	4,700	4,800	4,600	4,600	4,600
23,600	23,700	21,900	21,600	28,700	27,800	27,800
13,717	13,717	14,699	13,870	15,586	15,586	15,586
—	—	—	—	—	—	17,420
—	—	—	—	—	—	280,982
—	—	—	—	—	—	101,550
—	—	—	—	—	—	3,286
866	850	656	598	623	650	822
$ 4.68	$ 4.71	$ 6.06	$ 9.39	$ 8.80	$ 13.86	$ 8.46
$ 947	$ 916	$ 895	$ 853	$ 967	$ 737	$ 729
$ 858	$ 995	$ 983	$ 838	$ 855	$ 862	$ 767
621	621	630	587	600	603	601
156,930	170,008	156,734	147,877	164,299	161,015	188,546
597,233	498,722	482,963	415,092	345,701	284,879	265,332

	Fiscal Year									
Function/Program	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**	**2013**	**2012**
Public safety										
Police										
Area commands (stations)	4	4	4	4	4	4	4	4	4	4
Patrol units	293	277	233	237	211	197	171	171	181	185
Fire										
Stations	23	23	22	22	22	22	21	21	21	20
Emergency units	84	84	84	84	84	84	84	84	77	75
Public works										
Streets (lane miles)	6,257	6,232	6,134	5,973	5,849	5,688	5,688	5,636	5,620	5,609
Major bridges	225	223	223	223	223	224	223	223	215	215
Signalized intersections	625	612	609	606	591	585	584	574	569	565
Transit buses	60	61	61	60	56	49	45	43	43	43
Culture and recreation										
Parks and open space locations	206	206	205	205	205	205	205	204	201	201
Sports complexes	5	4	4	4	4	4	4	4	5	5
Community centers	5	5	4	4	4	5	5	4	4	4
Utilities										
Electric distribution lines (miles)	3,942	3,839	3,839	3,831	3,808	3,316	3,316	3,316	3,316	3,316
Natural gas pipe (miles)	2,692	2,586	2,586	2,576	2,539	2,488	2,432	2,408	2,408	2,408
Water distribution lines (miles)	2,505	2,152	2,152	2,139	2,117	2,068	2,300	2,040	2,015	2,015
Airport										
Number of runways	3	3	3	3	3	3	3	3	3	3
Parking										
Number of parking spaces - on-street	2,870	2,553	2,453	2,415	2,415	2,416	2,417	2,400	2,400	2,389
Number of parking spaces - off-street	2,681	2,681	2,681	2,706	2,706	2,703	2,703	2,703	2,703	2,703

Sources: City and Utilities staff reports and websites.

Fiscal Year	Required Refunds
2012	$ 564,879
2013	534,003
2014	1,173,501
2015	916,479
2016	1,496,130
2017	514,490
2018	621,042
2019	395,621
2020	1,518,106
2021	908,401

Note: This table reflects values for the General Fund only.

ASSESSED VALUATIONS, PROPERTY TAX LEVIES AND COLLECTIONS
Last ten fiscal years

CITY OF COLORADO SPRINGS
COLORADO
Table 19

Fiscal Year	Assessed Valuation (in 000's)	Total Tax Levy	Total Current Collections	Collections as a Percent of Levy	Current Year Outstanding Delinquent Taxes	All Years Outstanding Delinquent Taxes	All Years Delinquent Taxes as a Percent of Levy
2012	$ 4,601,619	$ 19,690,330	$ 19,208,455	97.6%	$ 52,186	$ 132,999	0.7%
2013	4,600,223	19,684,353	19,226,023	97.7%	50,149	133,289	0.7%
2014	4,608,210	19,718,537	19,164,390	97.2%	21,534	45,424	0.2%
2015	4,678,625	20,019,838	19,469,574	97.3%	25,572	44,165	0.2%
2016	4,985,582	21,333,306	20,014,822	93.8% [1]	31,404	51,934	0.2%
2017	5,048,413	19,368,851	18,751,296	96.8%	7,002	30,799	0.2%
2018	5,414,777	20,663,441	19,939,068	96.5%	7,494	24,685	0.1%
2019	5,508,082	21,019,928	20,324,600	96.7%	3,315	12,579	0.1%
2020	6,280,902	24,311,078	23,479,175	96.6%	14,628	20,394	0.1%
2021	6,220,352	25,361,893	23,869,463	94.1%	10,778	12,975	0.1%

Notes: Collections are net of positive and negative abatements.

Fiscal year is the year of collection.

Certification of assessed valuation and mill levies is done in the year prior to the year of collection.

[1] During 2015, in the ordinance certifying the tax levy for 2015 taxes payable in 2016, City Council approved a temporary property tax credit on all taxable business personal property equal to one-half (1/2) of the gross mill levy (tax credit equal to 2.139 mills). El Paso County (EPC) was unable to reflect the temporary tax credit on the assessment rolls and property tax statements due to the timing of the request by the City. As a result, the full mill levy was assessed and the City processed refunds to effect the temporary BPPT credit. The artificially high mill levy assessment negatively impacted the collections percentage calculation for 2016. For 2017, the temporary BPPT credit was correctly reflected as a lower tax levy by EPC.

DIRECT AND OVERLAPPING MILL LEVY RATES - WITHIN CITY LIMITS
Last ten fiscal years

CITY OF COLORADO SPRINGS COLORADO
Table 20

Fiscal Year	City	County Government	School District No 11	Library District	Water Conservancy District	Total
2012	4.279	7.597	44.004	3.999	0.947	60.826
2013	4.279	7.663	43.445	4.000	0.944	60.331
2014	4.279	7.714	44.264	4.000	0.940	61.197
2015	4.279	7.791	43.165	4.000	0.940	60.175
2016	4.279	7.869	40.803	3.857	0.941	57.749
2017	4.279	7.919	40.878	3.957	0.940	57.973
2018	4.279	7.965	52.499	3.812	0.939	69.494
2019	4.279	8.068	56.084	4.000	0.944	73.375
2020	4.279	7.035	51.558	3.731	0.902	67.505
2021	4.279	7.692	51.104	3.855	0.942	67.872

Notes: Fiscal year is the year of collection.
Certification of assessed valuation and mill levies is done in the year prior to the year of collection.
Rates include levies for operations and debt service.
Representative sample of overlapping districts, other overlapping district mill levies vary.

Facility	Closure Costs	Postclosure Costs	Total Cost	Percentage of Capacity Used	Estimated Lifespan in Years
Hancock	$ 345,912	$ 4,332	$ 350,244	N/A	N/A
Clear Spring - gravel pit 1	99,564	756,944	856,508	88.87-100.00%	10-31
Clear Spring - gravel pit 2 C&D solids	163,061	71,419	234,480	72.39%	48
Clear Spring - ash disposal	2,163,962	1,052,962	3,216,924	72.84%	44
Clear Spring - biosolids	3,018,462	1,293,536	4,311,998	47.21%	79
Northfield Recovery Pond	—	206,765	206,765	100.00%	—
Total cost	$ 5,790,961	$ 3,385,958	$ 9,176,919		

Notes: Percentage of capacity used does not apply to the Hancock facility. The entire liability for this facility is recognized on the Government-wide Statement of Net Position under governmental activities.

Liabilities for the Clear Spring (formerly Hanna Ranch) facilities and Northfield Recovery Pond are recognized on a capacity used basis in the Utilities fund on Exhibit 7; total costs for the Clear Spring facilities and Northfield Recovery Pond based on capacity used are estimated at $8,826,675. The liability is recognized on the Government-wide Statement of Net Position under business-type activities. The total costs from the above table are based on the last 5 year independent assessment adjusted by inflation.