City of Fountain, Colorado
Comprehensive Annual Financial Report
Year ended December 31, 2021

Vision Statement:

"Fountain will purposefully embrace the growth occurring throughout the region and continue developing into an even more contemporary, accomplished city, while maintaining its All-America hometown feel and strong sense of community"

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TRANSMITTAL LETTER

July 31, 2022

To the Honorable Mayor, Members of the City Council, and Citizens of the City of Fountain:

The Annual Comprehensive Financial Report (ACFR) of the City of Fountain, Colorado, for the fiscal year ended December 31, 2021, is hereby transmitted. Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal controls should not outweigh the benefits, the City's internal controls have been designed to provide reasonable assurance that the financial statements will be free from material misstatements.

The City is required by Colorado law to have an annual audit conducted in accordance with generally accepted auditing standards by an independent certified public accountant licensed to practice in Colorado. The City must then submit the audit report to the Office of the State Auditor.

The City's financial statements have been audited by Haynie & Company, a licensed certified public accounting firm. The goal of the independent audit is to provide reasonable assurance that the City's financial statements for the fiscal year ended December 31, 2021 are free from material misstatements. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City's financial statements for the fiscal year ended December 31, 2021 are presented fairly and in conformity with Generally Accepted Accounting Principles. The independent auditors' report is presented on the first page of the financial section of this report.

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

City Profile

The City of Fountain, Colorado, incorporated in 1903, is located on Colorado's Rocky Mountain Front Range, 10 miles south of Colorado Springs. The City occupies 22.08 square miles and serves a population of more than 31,000.

The City is, by Charter, a Home Rule City with a Council-Manager form of government. Policy-making and legislative authority are vested in the City Council consisting of the mayor and six other members who are elected by and answer to the citizens of Fountain. A City Manager is appointed by the City Council to run the day-to-day operations of the City.

The City of Fountain provides a full range of services including police, fire, and emergency medical services, street and drainage maintenance, economic development, water and electric utilities, bus transit, parks & recreation, and general administrative services. The Fountain Urban Renewal Authority is a separate legal entity but is reported in the City's financial statement as a component unit.

Local Economy

The largest employer in the Fountain area is Fort Carson with more than 35,000 military, civilian employees and contractors. Residential housing developers have planned for large developments in and around Fountain and the City is working hard to provide the infrastructure required to keep up with the housing demand. In addition. the City continues to grow its business commercial base with a diversification among prime employer industries other than schools and government:

- Manufacturing
- Transportation & Logistics
- Retail
- Restaurants
- Professional Services
- Motorsports

For the first four months of 2022, year over year sales tax revenue is approximately 3% higher. Both sales and use tax revenues are above 2022 budgeted projections to date.

Long-term Financial Planning

In 2018, the City embarked on a new, updated Strategic Planning process designed to provide a simple, focused and accountable Strategy that identified the Council's highest priorities, and and developed appropriate goals and objectives tied directly to those priorities. In 2021, the City reviewed and updated the Strategic Plan, and published new Priorities and Objectives to be accomplished through 2024. Adopted by Council at the end of 2021, the City's new Strategic Priorities are as follows:

Strategic Priority: Set conditions and facilitate responsible development and carefully managed city growth, focused on efforts that maintain or improve existing city-wide infrastructure and services, while building reasonable capacity to meet future community needs.

Strategic Priority: Develop, coordinate, and implement initiatives and programs, in collaboration with the community, that diversify city financial resources and invest in the Enduring Interests of the City Vision Statement.

Strategic Priority: Ensure highly professional, responsive and community focused public safety resources, that provide reliable access to public safety services throughout the city's jurisdiction

Strategic Priority: Improve the quality and availability of parks and recreation opportunities, including athletics, outdoor recreation areas, youth programs and community gathering places.

The Strategic Plan serves as a key guide for allocating financial resources in the preparation of the biennial budget document. With the biennium beginning January 1, 2011, the City embarked on preparing biennial budgets; however, the City still adopts an annual operating budget of revenues and expenditures for the following year in accordance with State Statute and the City Charter. Included as a part of the City's budget process, the City prepares a five year summary financial plan for the major funds. The plan encompasses both revenue projections and operating and capital expenditures.

Major Initiatives

The City continued to work through challenges related to the global COVID-19 Pandemic, but saw a gradual return to city events, in person meetings and easing of COVID related restrictions. Completion of the 2019-2021 Strategic Plan was the city's principal focus in 2021. By end of the year, the city had successfully accomplished 22 of 23 Strategic Objectives, to include completion of major road projects, improvement in public safety processes and staffing, opening of new recreation venues and completion of a major telecommunications initiative.

Five new businesses opened in Fountain in 2021, as well as commencement of construction on several business within the community. New housing starts decreased significantly, attributed to a decrease in ready to build lots and a restriction in the availability of treated municipal water. The City of Fountain Utilities Department completed a water master plan in 2021, identifying challenges and opportunities for facilitating responsible, managed growth in the utilities service area. The Utilities Department also continued collaboration with the U.S. Air Force and Army Corps of Engineers to finish a state-of-the-art treatment facility for Perfluorinated Compounds. The Utilities Electric Division reported that for 2021 there were fewer power outage occurrences by 35% when compared to 2020, placing the City well below the national average for overall outages.

In 2021, the City of Fountain successfully entered a second Inter-governmental Support Agreement (IGSA) with the Fort Carson Army Garrison, for the provision of small construction related services to the Army post, while continuing implementation of a Pest Control IGSA within the Army post. The City's IGSA program continues to grow, with additional discussions continuing with Fort Carson and the regions various Air Force bases in 2021 on the potential of various other agreements for services. IGSA's not only provide new revenue for the City

General Fund, but also strengthen the community's civil-military ties and benefit the local economy and regional businesses.

Awards and Acknowledgements

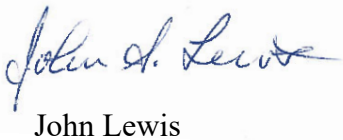
The GFOA awarded the Certificate of Achievement for Excellence in Financial Reporting (ACFR) to the City of Fountain for the fiscal year ended December 31, 2021. The Certificate of Achievement is the highest form of recognition in governmental accounting and financial reporting, and its attainment represents a significant accomplishment by a government and its management.

The COVID-19 pandemic that has had global impacts since the first part of 2020 has continued to create challenges for us as we worked to complete the audit this year. However, we wish to specifically acknowledge our auditors, Haynie & Company for the assistance and guidance they provided in the preparation of the ACFR and for the professional manner in which they conducted the audit. We would additionally like to acknowledge and thank our entire Finance team and specifically, Shawna Dail and Jennifer Stevenson, who worked diligently to ensure that we could pull together all the necessary information for a quality audit.

We would also like to recognize the Mayor and City Council for their support and continued desire to ensure the highest standards of professionalism in the management of the City's financial affairs.

Respectfully submitted,

Scott Trainor
City Manager



John Lewis
Finance Director

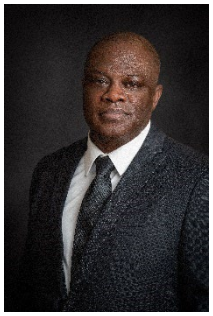
CITY COUNCIL

Sharon Thompson, Mayor
Term Expires: 11/2025

Gordon Rick, Council Member
Ward: #1
Term Expires: 11/2025

Tamara Estes, Mayor Pro-Tem
Ward: #2
Term Expires: 11/2023

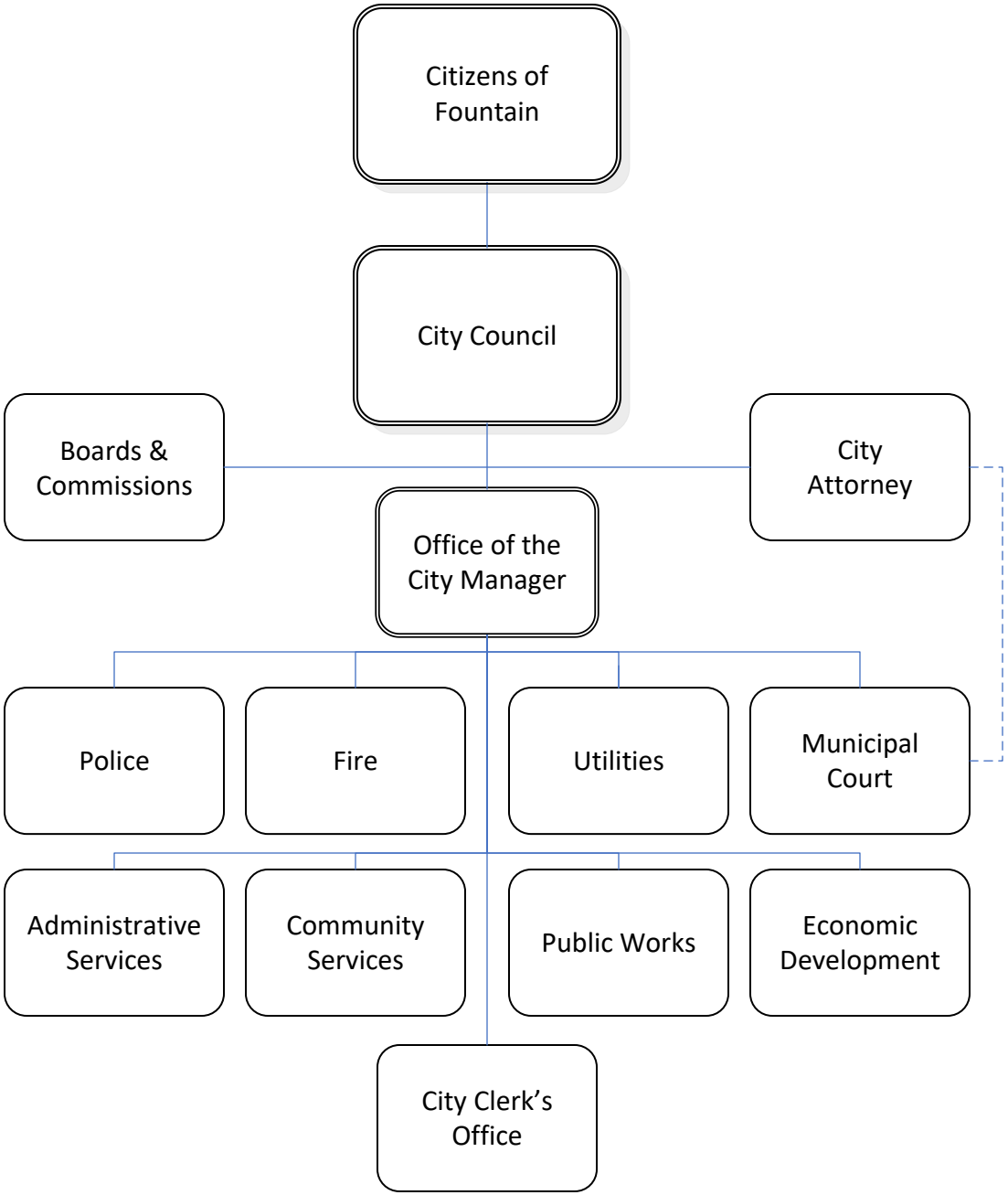
Cory Applegate, Council Member
Ward: #3



Frederick Hinton, Council Member
Ward: At-Large
Term Expires: 11/2025

Richard Applegate, Council Member
Ward: At Large
Term Expires: 11/2023

Detra Duncan, Council Member
Ward: At Large
Term Expires: 11/2023


Citizens of Fountain
City Council
Boards & Commissions
City Attorney
Office of the City Manager
Police
Fire
Utilities
Municipal Court
Administrative Services
Community Services
Public Works
Economic Development
City Clerk's Office

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Fountain Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2020

Christopher P. Morrill

Executive Director/CEO

Haynie & Company
Certified Public Accountants & Management Consultants

1221 W. Mineral Avenue, Suite 202
Littleton, CO 80120
303-734-4800
303-795-3356
www.HaynieCPAs.com

Independent Auditor's Report

Honorable Mayor and the City Council
City of Fountain, Colorado

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Fountain, Colorado, as of December 31, 2021 and the respective changes in financial position and cash flows, where applicable, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Fountain Urban Renewal Authority. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Fountain Urban Renewal Authority, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 of Fountain, Colorado and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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 of Fountain, Colorado's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. 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 of Fountain, Colorado'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 of Fountain, Colorado'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 required supplementary information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Suppementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Fountain, Colorado's basic financial statements. The budgetary comparison schedules, combining and individual nonmajor fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

This information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the 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 nonmajor fund financial statements and other schedules as listed in the table of contents are fairly stated, in all material respects, in relation to the financial statements as a whole

Other Information

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

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

Haynie & Company

Littleton, Colorado
July 26 , 2022

City of Fountain, Colorado
Management's Discussion and Analysis
December 31, 2021

MANAGEMENT'S DISCUSSION & ANALYSIS

This discussion and analysis of the City of Fountain's (the City) financial performance provides an overview of the City's financial activities for the fiscal year ended December 31, 2021. Please read it in conjunction with the City's financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Financial Highlights

- The assets and deferred outflows of the City of Fountain exceeded its liabilities and deferred inflows at the close of 2021 by $198 million (net position). Of this amount, $12 million (unrestricted net position) may be used to pay the City's obligations to citizens and creditors.
- At December 31, 2021, the City of Fountain's governmental funds reported combined ending fund balance for restricted and unrestricted of $18.5 million, an increase of approximately $2.4 million in comparison with the prior year. This increase was primarily due to the increased sales tax revenue. Approximately $11.1 million of the unrestricted fund balance is available for spending at the government's discretion.
- The unrestricted fund balance for the General Fund was $9.3 million, or 34.4% of the total General Fund expenditures, compared to $9.8 million or 38.9% for fiscal year 2020. An additional $979,978 of fund balance in the General Fund is restricted by the State of Colorado for emergencies in 2021.
- Sales Tax, the City's largest source of General Fund revenue, was $16.5 million for 2021 as compared to $15 million for the prior year, an increase of 10%.
- Use tax revenue increased by $341 thousand to $1.9 million in 2021 due to the increase from 2020 in construction materials purchased in 2021 in Fountain due to an increase in construction activity overall.
- Deferred outflows for the City of Fountain decreased by $403 thousand and deferred inflows increased by $1 million, primarily due to changes in pension valuations and an increase in property taxes.
- New long-term debt acquired in 2021 included a refunding of the 2013 Water Loan with a revenue bond, and $481 thousand of new leases for a bus and two trucks. After payments on debt, long term debt for both governmental and business-type activities, including OPEB decreased by $22 thousand during 2021.

Using this Annual Report

This discussion and analysis is intended to serve as an introduction to the City of Fountain's basic financial statements. The City of Fountain's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

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

The ***statement of net position*** presents information on all of the City of Fountain's assets and liabilities, 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 of Fountain is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the City of Fountain that are principally supported by taxes and intergovernmental revenues (*Governmental Activities)* from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*Business-type Activities).* The Governmental Activities of the City of Fountain include General Government, Public Safety, Public Works, Health and Welfare, Culture and Recreation and Interest Expense. The Business-type Activities of the City of Fountain include Water, Electric, Ambulance, and Drainage. Also included in the government-wide financial statements is the Fountain Urban Renewal Authority (FURA). FURA is legally separate from the city, however the members of the governing board are appointed by the City Council. FURA is categorized as a discretely presented component unit rather than a part of the primary government. FURA's financial information is, therefore, presented in a separate column in the government-wide financial statements.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City of Fountain, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the City's funds can be divided into three categories: Governmental Funds, Proprietary Funds, and Fiduciary Funds.

Governmental funds – Most of the City's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. The governmental funds include the general fund and eight special revenue funds. The funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental funds statements provide a detailed short-term view of cash, the governmental fund operations and the basic services it provides.

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 funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

Proprietary funds – The *enterprise fund* type of proprietary funds is used to report the same functions presented as business-type activities in the government-wide financial statements, but provide more detail and additional information, such as cash flow. Fountain's proprietary funds include the water and electric utilities, the ambulance and drainage funds and the insurance fund, which is an internal service fund. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities.

Fiduciary funds-Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The volunteer fire pension is Fountain's only fiduciary fund. Fiduciary funds are not reflected in the government-wide financial statement 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.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 12-49 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information.* This supplementary information can be found on pages 50-55 of this report. The City of Fountain's progress in funding its obligation to provide pension benefits to volunteer fire fighters is located on page 52 of this report. The Schedule of Funding Progress Postemployment Benefit Plan is located on page 55. The Budgetary Comparison Schedule for the General Fund and other required supplementary information can be found on pages 50-51.

Supplementary information, including the combining statements, referred to earlier in connection with non-major Governmental Funds and Enterprise Funds, are presented immediately following the required supplementary information on pensions and the General Fund. Combining and individual fund statements and schedules can be found on pages 56-74.

Financial Analysis of the City as a Whole

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Fountain, assets exceeded liabilities by $198 million at the close of 2021, an increase of $8 million from the end of 2020.

Statement of Net Position (in thousands)

	Governmental Activities		Business-type Activities		Total	
	2021	**2020**	**2021**	**2020 (restated)**	**2021**	**2020 (restated)**
Current and other assets	$ 30,999	$ 23,916	$ 19,385	$ 17,214	$ 50,384	$ 41,130
Capital assets	76,818	75,771	160,852	155,697	237,670	231,468
Total assets	107,817	99,687	180,237	172,911	288,054	272,598
Deferred outflows of resources	3,204	3,141	733	1,199	3,937	4,340
Long-term liabilities outstanding	7,181	6,843	67,020	64,296	74,201	71,139
Other liabilities	7,507	3,435	6,476	7,571	13,983	11,815
Total liabilities	14,689	10,278	73,495	71,867	88,184	82,145
Deferred inflows of resources	5,445	4,396	-	-	5,445	4,396
Net position:						
Net investment in capital assets	69,262	70,175	102,445	86,190	171,707	156,365
Restricted	7,494	6,181	6,950	-	14,444	6,181
Unrestricted	14,131	11,798	(1,920)	16,053	12,211	27,851
Total net position	$ 90,887	$ 88,154	$107,475	$102,243	$198,362	$190,397

The largest portion of the City of Fountain's net position (86.6%) is reflected in the net investment in capital assets (e.g. land, buildings, infrastructure, vehicles, equipment, etc.), less any related debt still outstanding (current and long-term), that was used to acquire those assets, excluding unspent bond and capital lease proceeds. The City uses these capital assets to provide services to citizens; consequently these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. Unrestricted net position may be used to meet the City's ongoing obligations to citizens and creditors.

A small portion of the City of Fountain's net position (7.3%) represents resources that are subject to external restriction on how they may be used. The remaining balance of unrestricted net position ($12 million) may be used to meet the City's ongoing obligations to citizens and creditors.

Changes in Net Position (in thousands)

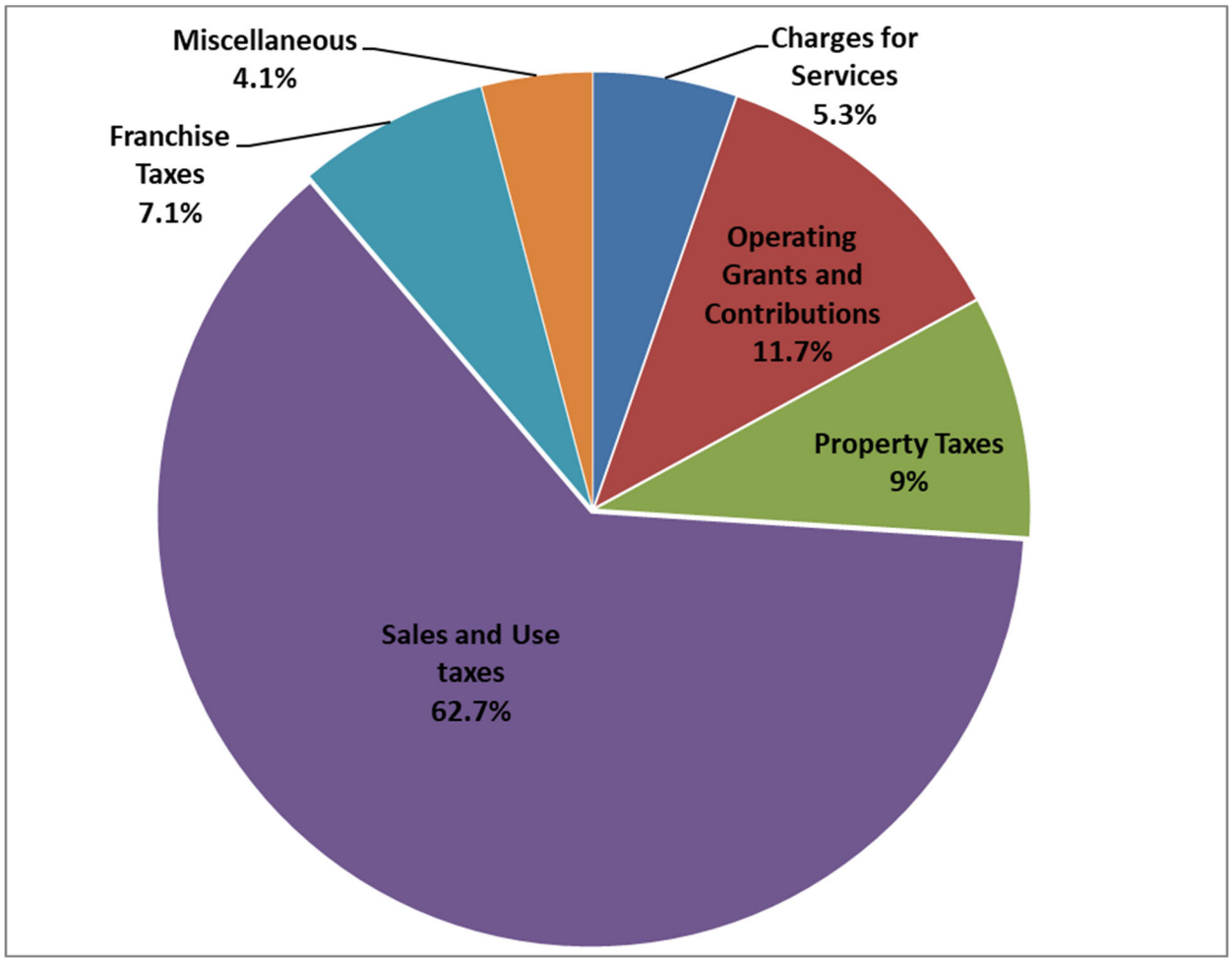
	Governmental Activities		Business-type Activities		Total	
	2021	2020	2021	2020 (restated)	2021	2020 (restated)
Revenues:						
Program Revenues:						
Charges for services	$ 1,748	$ 1,646	$ 40,769	$ 36,417	$ 42,517	$ 38,063
Operating grants and contributions	1,959	3,407	-	322	1,959	3,729
Capital grants and Contributions	1,896	-	3,069	886	4,965	886
General Revenues:						
Property taxes	2,629	2,696	-	-	2,629	2,696
Sales and use taxes	20,630	18,512	-	-	20,630	18,512
Spec. Own. taxes	323	297	-	-	323	297
Franchise taxes	2,345	2,165	-	-	2,345	2,165
Other revenues	659	968	2,972	2,467	3,631	3,435
Investment earnings	7	85	4	200	11	285
Total revenues	32,196	29,776	46,814	40,292	79,010	70,633
Program expenses:						
General government	8,191	6,561	-	-	8,191	6,561
Public Safety	13,690	12,447	-	-	13,690	12,447
Public Works	6,378	5,226	-	-	6,378	5,226
Health and welfare	470	492	-	-	470	492
Culture and recreation	1,248	1,254	-	-	1,248	4,254
Interest expense	168	161	-	-	168	161
Water utility	-	-	11,915	10,861	11,915	10,861
Electric utility	-	-	27,720	27,462	27,720	27,462
Ambulance	-	-	1,265	1,322	1,265	1,322
Total expenses	30,145	26,141	40,900	39,645	71,045	68,786
Excess/(Deficiency) Before transfers	2,051	3,635	5,914	647	7,965	1,847
Transfers In (Out)	682	(532)	(682)	532	-	-
Increase/(Decrease) in net position	2,733	3,103	5,232	1,179	7,965	4,282
Net position, beginning	$ 88,154	$ 85,051	$ 102,243	$ 101,064	$190,397	$ 186,115
Net position, ending	$ 90,887	$ 88,154	$ 107,475	$ 102,243	$198,362	$ 190,397

The major changes to the City's Governmental Activities and Business-type funds are described in the next two sections.

Governmental Activities

Governmental activities net position for 2021 increased by $2,732,791. This is primarily attributed to the increase in sales tax revenues primarily related to the pandemic.

The following pie chart illustrates the Governmental Activities revenues.



- Revenue from general fund sales tax of $16.5 million increased $1.5 million or 10% over 2020 due to the increase in online sales during the pandemic, and continued growth in the South Academy Highlands development.
- Revenue from various operating and capital grants increased in 2021 by $448 thousand.
- All other revenues were fairly stable in 2021 as compared to 2020.

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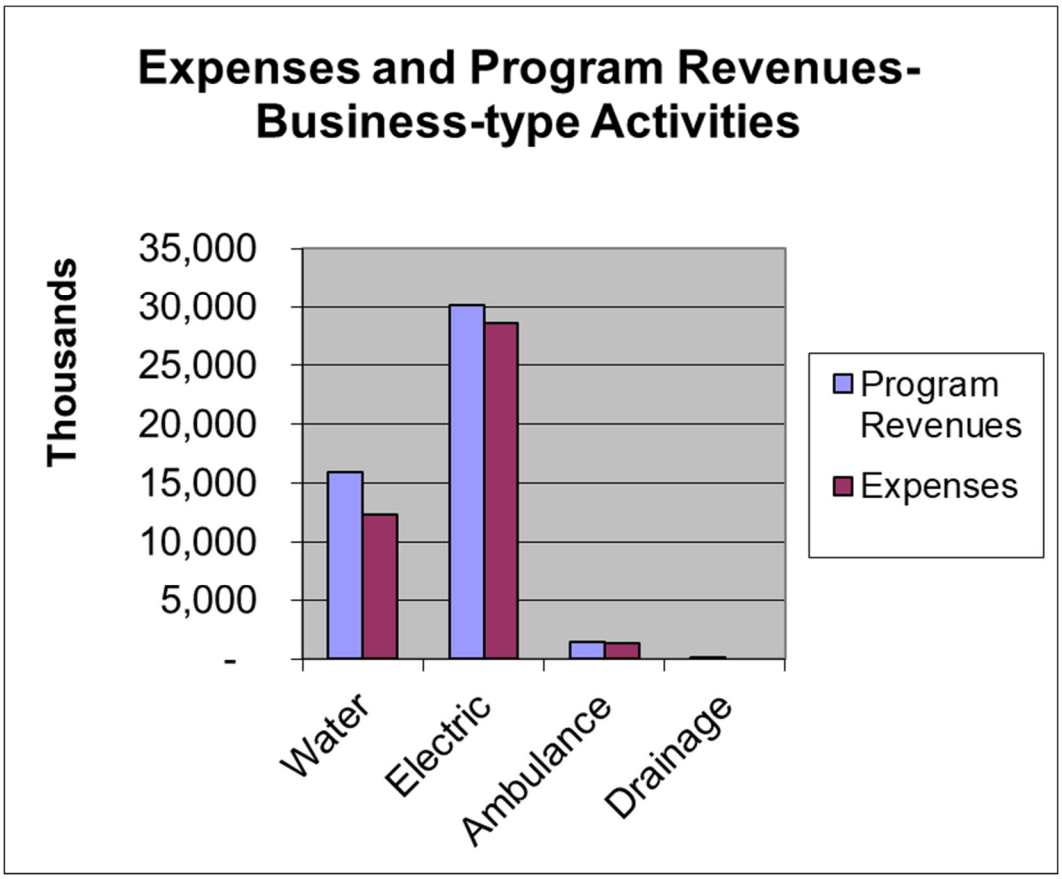
Business-type Activities

The City of Fountain 2021 business-type activities net position increased by $5,232,036. The following chart illustrates the business-type activities program revenues and expenses.



- Combined 2021 revenue of $46.8 million was approximately $6.5 million greater than 2020 total revenue.
  - Water charges for services, including system development fees, of $15 million increased approximately $3.4 million, from 2020 primarily due to a large tap fee paid by a residential developer and an increase in water rates and usage.
  - Electric charges for services of $27 million including system development fees, increased by approximately $2 million over 2020, primarily due to increased electric rates.
  - Ambulance charges for service increased by $800 thousand to $1.4 million through improved Medicare and Medicaid billing practices.
  - Miscellaneous revenue for all business-type activities increased to $ 2.9 million, an increase of approximately $380 thousand from 2020, primarily due to additional fees.

- Program expense of $40.9 million was approximately $1.3 million more than 2020 due to increased depreciation and interest expense due to large capital outlays in 2019 and 2020.
  - Water increased by $1 million due to increases in operating and system maintenance expenses, including depreciation on the newly completed Southern Delivery System pipeline and Joint Utility Building.

- Electric increased by approximately $258 thousand, primarily due to increased source of supply and operations and maintenance costs.
- Ambulance decreased by approximately $57 thousand, primarily due to decreased use of fire department personnel and equipment.

Fiduciary Activities

The City of Fountain maintains a fiduciary fund to account for money designated to pay benefits under the City's Volunteer Fire Pension Plan.

Financial Analysis of the City's Funds

The City of Fountain uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balance of spendable resources. Such information is useful in assessing the City's financing requirements.

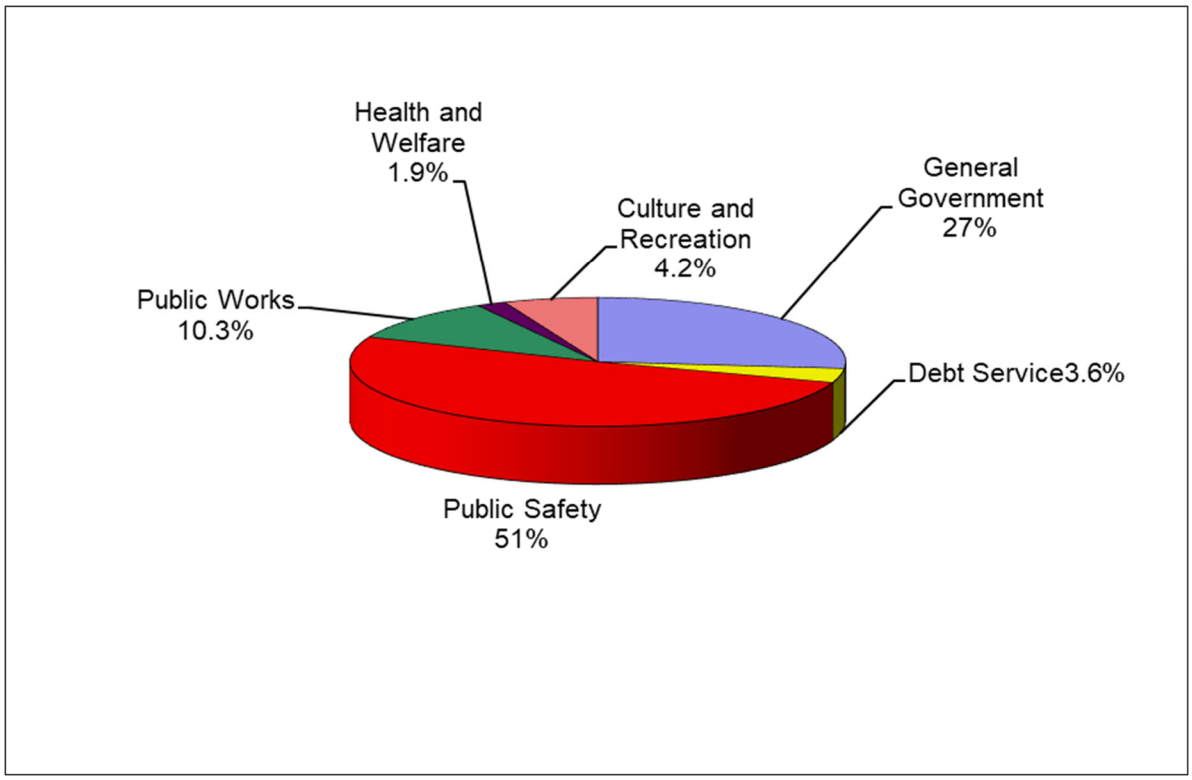
The City's General Fund reported a 2021 ending fund balance of $12 million, an increase of $1.4 million in comparison with the previous year. The increase was primarily due to a 10% increase in sales tax revenues and increases in financing sources over the prior year. The primary reason for the increase in financing sources was the $1.2 million in transfers in, primarily from the proprietary funds for expenditures paid on their behalf by the General Fund. Unassigned fund balance, which is available for spending at the City's discretion, totaled $9.3 million or 77.6% of the total general fund balance. The remainder of the fund balance is restricted for emergencies ($979,978), committed to park improvements and school zone improvements, ($580 thousand combined), and assigned to public safety capital improvements ($1,123,641).

Proprietary Funds

The City's proprietary funds provide the same type of information found in the government-wide financial statement, but in more detail. Unrestricted net position of the water and electric utilities, the two largest proprietary funds, were ($6.5) million and $1.6 million, respectively.

General Fund Budgetary Highlights

The General Fund accounts for all of the general government services provided by the City of Fountain including: City Council, Municipal Court, Economic Development, Election, Administration, Planning & Engineering, Recreation, and Information Technology. The following pie chart illustrates the General Fund expenditures by type.



Line item budget transfers are allowed within a fund with the approval of the City Manager. Increases in the expenditure budget for any fund must be approved by the City Council. The General Fund original budgeted expenditures (including transfers out) were $25.7 million. Budget amendments presented to, and approved by, the City Council for 2021, totaled approximately $6.2 million. The final budget was, therefore, $31.9 million in 2021.

Variances from the final budget to actual expenditures worth noting include the following:

- General government variance was $1.58 million under budget primarily due to information technology capital expenditures and administrative expenses that were either postponed or cut through efficiencies.
- Public Safety variance was $1.4 million under budget due primarily to a delay in the receipt of a budgeted new ladder truck.
- Culture and recreation variance was $1.06 million under budget due to delays of certain capital purchases into 2022.
- The total positive budget variance in expenditures in the General Fund, including transfers out, approximated $4.4 million.
- Negative variances in general fund revenues totaled $2.3 million, primarily due to the $3.6 million of unspent ARPA grants recorded as unearned revenue, partially offset by a $1.5 million increase in realized sales tax revenue over forecast.

Capital Assets and Debt Administration

Capital Assets

The City of Fountain's investment in capital assets for its governmental and business-type activities, not including pension assets or debt, as of December 31, 2021 totaled $235.5 million (net of accumulated depreciation). This investment in capital assets includes land and easements,

water and storage rights, buildings and improvements, infrastructure, machinery and equipment, computers and software, and vehicles. The City's investment in capital assets increased by $5.3 million during 2021; governmental activities increased by $145 thousand while business-type activities increased by $5.2 million.

Major capital events for 2021 included the following items:

- The General fund spent $167,700 on computer equipment and upgrades including new court and e-ticketing software systems, $270,900 on ADA intersection improvements, $233,800 on new equipment for Police, Fire, and Streets, $134,000 for building improvements to PD including new security fences, HVAC rooftop units, and a training range, and $956,000 on a new fire engine and streets dump and tandem trucks.
- The Water fund expended $416,600 on water rights, $238,000 to finish the utility operations center, $23,000 on equipment, $319,000 on various system improvements.
- The Electric fund expended $346,000 on equipment including trailers, an underground wire puller, and forklifts, $3.7 million for the Jimmy Camp Creek Substation, $2.9 million for a 115kv transmission line, and $555,000 to finish its portion of the utility operations center.
- The Transportation Sales Tax fund spent $134,000 on transit buses.
- The Conservation Trust fund spent $76,000 on Adam's Open Space improvements.

Note 3 on pages 22-23 of the financial statements provides a detailed summary of the City's capital assets.

Long-term Debt

The City of Fountain's total long-term debt decreased by $29 thousand from 2020 and remains at approximately $72.6 million as of December 31, 2021.

The City's long-term debt related to governmental activities decreased during 2021 by approximately $57 thousand. Compensated absences increased by $58,074, capital leases decreased by $123,377, and the early retirement program increased by 8,000.

The City's long-term debt related to business-type activities increased by $28 thousand during 2021. Capital leases, compensated absences and early retirement increased by $2.6 million net of payments. All other business-type activities debt decreased by $2.6 million net of the issuance of the new revenue bonds of $9.5 million, to refinance a water loan with a remaining balance of approximately $9.9 million.

Note 4 on pages 24-33 of the financial statements provide a detailed summary on the City's long-term debt.

Economic Factors and Next Year's Budget and Rates

Financial indicators and the impact of COVID-19:

- The unemployment rate for the Colorado Springs area as of December, 2021, was 3.8% and is now estimated to be 3.5%. This is slightly less than the current national rate of 3.6% according to the Bureau of Labor Statistics. Employment growth in 2022 continues to increase and the website Wallethub.com indicated that the Colorado Springs area was in the top 100 of the best cities in the country to find a job.

- The prices of homes rose almost 16% in the City of Fountain according to the 2020 assessment performed by the El Paso County Assessor's Office. Properties in El Paso County are reassessed every two years.

- Sales tax revenue continued to increase in 2021 due to the South Academy Highlands Sam's and Walmart developments, along with several new businesses in other sections of the City and the growth in sales by national online retailers.

- Sales taxes are forecast to continue growing in 2022 due to the above reasons and particularly due to continued increases in sales by online retailers. In fact, for the first four months of 2022, sales tax revenues are up 2.4% over 2021.

- Although the COVID-19 pandemic decreased revenue projections for many municipalities, it did not negatively impact the total revenue of the City of Fountain. This is primarily due to the increases in online sales during the pandemic that resulted in a decrease in the historical "leakage" of sales tax revenues to neighboring municipalities. The business mix within the City of Fountain does not include a large number of the types of businesses that were most negatively impacted by the pandemic.

- New construction in Fountain in 2021 included 2 new housing starts, and 8 new commercial buildings, which together constitute a 93% decrease from 2020. However, several large developments are in the early planning stages and similar to other areas along the front range of Colorado, the City of Fountain is anticipating continued, steady growth over the next 10 years. A great deal of commercial building activity continues around the Colorado Springs Airport, which is just outside the City of Fountain boundaries. A new Amazon facility was completed in 2021 between the airport and Fountain and it alone contains over 1 million square feet of commercial space.

- Property tax revenues are forecast to increase only slightly in 2022 over 2021, due to 2022 being a non-valuation year and increase will be primarily from new construction.

- A water rate increase of 4% for the average residential customer using 6,000 gallons was implemented beginning June 10, 2020 and an additional 4% increase was implemented on March 1, 2021. No increases are planned for 2022.

- Electric utility rates were increased 3% effective January 1, 2020. Electric utility rates were also increased by 4%, effective January1, 2022.

All of the above indicators were considered in preparing and adopting the City of Fountain 2022 budget. Budgeted line items were kept mostly flat from 2021 expenditures with the exceptions of capital investment purchases and a 3% merit increase in pay for deserving staff. In the General Fund, the exceptions included certain investments in capital items for technology, fire equipment, street resurfacing and various recreational facilities. In the Water and Electric Funds, large expenditures are planned for final completion of a water treatment facility and infrastructure required to match the anticipated growth in the City due to the strong economic factors impacting the region.

Requests for Information

This financial report is designed to provide a general overview of the City of Fountain's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or additional financial information should be addressed to the Finance Director:

City of Fountain
116 South Main Street
Fountain, CO 80817
719-322-2033

Basic Financial Statements

City of Fountain, Colorado
Statement of Net Position
December 31, 2021

	PRIMARY GOVERNMENT			COMPONENT UNIT
	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL	URBAN RENEWAL AUTHORITY
ASSETS				
Cash and investments	$ 24,719,926	$ 2,642,280	$ 27,362,206	$ 411,261
Committed cash and investments	-	1,072,906	1,072,906	-
Restricted cash and investments	131,789	6,949,574	7,081,363	10,046,427
Accounts and other receivables	3,608,974	5,025,420	8,634,394	5,892
Grants receivable	388,328	-	388,328	-
Taxes receivable	3,239,309	-	3,239,309	895,764
Inventories	-	2,606,443	2,606,443	-
Prepaid expenses	-	-	-	4,003
Internal balances	(1,089,453)	1,089,453	-	-
Capital assets, not being depreciated	2,553,490	35,084,545	37,638,035	548,068
Capital assets, net of accumulated depreciation	72,143,365	125,766,984	197,910,349	1,268,053
Net pension asset	2,120,997	-	2,120,997	-
TOTAL ASSETS	107,816,725	180,237,605	288,054,330	13,179,468
DEFERRED OUTFLOWS OF RESOURCES				
Deferred amounts on refunding	-	732,838	732,838	224,120
Deferred outflows related to pension	2,732,359	-	2,732,359	-
Deferred outflows related to OPEB	471,823	-	471,823	-
TOTAL DEFERRED OUTFLOWS OF RESOURCE	3,204,182	732,838	3,937,020	224,120
LIABILITIES				
Accounts payable	579,792	4,588,988	5,168,780	6,103
Accrued liabilities	527,606	361,721	889,327	-
Unearned revenue	3,554,567	-	3,554,567	-
Deposits	2,582,900	1,039,371	3,622,271	1,350
Accrued interest payable	-	485,996	485,996	1,199,262
Insurance claims payable	262,594	-	262,594	-
Long-term liabilities:				
Due within one year	1,328,851	2,862,442	4,191,293	-
Due in more than one year	4,237,336	64,157,052	68,394,388	48,787,066
Net OPEB liability - due in more than one year	1,615,120	-	1,615,120	-
TOTAL LIABILITIES	14,688,766	73,495,570	88,184,336	49,993,781
DEFERRED INFLOWS OF RESOURCES				
Deferred inflows related to pension	2,150,387	-	2,150,387	-
Deferred inflows related to OPEB	55,297	-	55,297	-
Property taxes	3,239,309	-	3,239,309	255,946
TOTAL DEFERRED INFLOWS OF RESOURCES	5,444,993	-	5,444,993	255,946
NET POSITION				
Net investment in capital assets	69,262,457	102,444,934	171,707,391	504,055
Restricted for:				
Parks	551,599	-	551,599	-
District Repairs and Maintenance	1,698,705	-	1,698,705	-
Transportation	2,648,434	-	2,648,434	-
Street Repairs and Maintenance	521,767	-	521,767	-
Street Improvements	1,092,828	-	1,092,828	-
Capital Projects	-	6,949,574	6,949,574	812,756
Emergencies	979,978	-	979,978	-
Unrestricted	14,131,380	(1,919,635)	12,211,745	(38,162,950)
TOTAL NET POSITION	$ 90,887,148	$ 107,474,873	$ 198,362,021	$ (36,846,139)

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

City of Fountain, Colorado
Statement of Activities
For the Year Ended December 31, 2021

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 UNIT
Primary Government								
Governmental activities:								
General Government	$ 8,191,331	$ 399,684	$ -	$ -	$ (7,791,647)	$ -	$ (7,791,647)	$ -
Public Safety	13,690,036	1,251,890	-	-	(12,438,146)	-	(12,438,146)	-
Public Works	6,377,712	41,703	1,592,858	1,896,239	(2,846,912)	-	(2,846,912)	-
Health and Welfare	470,014	11,000	55,611	-	(403,403)	-	(403,403)	-
Culture and Recreation	1,247,497	43,754	310,803	-	(892,940)	-	(892,940)	-
Interest and Related Costs	168,287	-	-	-	(168,287)	-	(168,287)	-
Dedication of Capital Assets to Other Governments	-	-	-	-		-	-	-
Total Governmental Activities	30,144,877	1,748,031	1,959,272	1,896,239	(24,541,335)	-	(24,541,335)	-
Business-Type Activities:								
Water	11,914,833	12,299,627	-	2,706,616	-	3,091,410	3,091,410	-
Electric	27,720,042	27,039,503	-	362,500	-	(318,039)	(318,039)	-
Ambulance	1,265,157	1,417,305	-	-	-	152,148	152,148	-
Drainage	-	12,305	-	-	-	12,305	12,305	-
Total Business-Type Activities	40,900,032	40,768,740	-	3,069,116	-	2,937,824	2,937,824	-
Total Primary Government	$ 71,044,909	$ 42,516,771	$ 1,959,272	$ 4,965,355	$ (24,541,335)	$ 2,937,824	$ (21,603,511)	$ -
Component Unit								
Urban Renewal Authority	4,366,236	-	56,297	-	-	-	-	(4,309,939)
Total Component Unit	$ 4,366,236	$ -	$ 56,297	$ -	$ -	$ -	$ -	$ (4,309,939)
Taxes:								
Property taxes					$ 2,629,066	$ -	$ 2,629,066	$ 129,792
Sales and Use Taxes					20,630,184	-	20,630,184	-
Specific Ownership Taxes					322,839	-	322,839	-
Franchise taxes					2,344,669	-	2,344,669	-
Intergovernmental Revenues not Restricted to Specific Programs					-	-	-	3,794,544
Investment income					7,203	4,629	11,832	5,221
Sale of capital assets					142,190	-	142,190	
Insurance proceeds					265,330	-	265,330	
Miscellaneous					250,217	2,972,011	3,222,228	743
Transfers					682,428	(682,428)	-	-
Total general revenues and transfers					27,274,126	2,294,212	29,568,338	3,930,300
Change in net position					2,732,791	5,232,036	7,964,827	(379,639)
NET POSITION, BEGINNING, as restated					88,154,357	102,242,837	190,397,194	(36,466,500)
NET POSITION, ENDING					$ 90,887,148	$ 107,474,873	$ 198,362,021	$ (36,846,139)

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

City of Fountain, Colorado
Balance Sheet
Governmental Funds
December 31, 2021

ASSETS	GENERAL FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
Cash and investments	$ 15,585,844	$ 6,068,757	$ 21,654,601
Restricted cash and cash equivalents	-	131,789	131,789
Accounts and other receivables	3,540,021	433,725	3,973,746
Property taxes receivable	2,873,409	365,900	3,239,309
TOTAL ASSETS	$ 21,999,274	$ 7,000,171	$ 28,999,445
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Accounts payable	$ 537,065	$ 33,389	$ 570,454
Accrued liabilities	487,808	16,172	503,980
Unearned revenue	3,554,567	-	3,554,567
Deposits	2,582,900	-	2,582,900
TOTAL LIABILITIES	7,162,340	49,561	7,211,901
DEFERRED INFLOWS OF RESOURCES			
Property taxes	2,873,409	365,900	3,239,309
TOTAL DEFERRED INFLOWS OF RESOURCES	2,873,409	365,900	3,239,309
FUND BALANCES			
Restricted for:			
Parks	-	551,599	551,599
District Repairs and Maintenance	-	1,698,705	1,698,705
Transportation	-	2,648,434	2,648,434
Street Repairs and Maintenance	-	521,767	521,767
Street Improvements	-	1,092,828	1,092,828
Emergencies	979,978	-	979,978
Committed to:			
Park Improvements	450,607	-	450,607
School Zone	129,573	-	129,573
Volunteer Fire Activities	-	71,377	71,377
Assigned to Public Safety Capital Improvements	1,123,641	-	1,123,641
Unassigned	9,279,726	-	9,279,726
TOTAL FUND BALANCES	11,963,525	6,584,710	18,548,235
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 21,999,274	$ 7,000,171	$ 28,999,445

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

City of Fountain, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2021

Amounts reported for governmental activities in the statement of net position are different because:	
	$ 18,548,235
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds:	
Capital assets	155,394,590
Accumulated depreciation	(80,697,735)
Net capital assets	74,696,855
The deferred outflows below are not current assets or financial resources; and therefore not reported in the Governmental Funds.	
Deferred outflows related to pension	2,732,359
Deferred inflows related to pension	(2,150,387)
Deferred outflows related to OPEB	471,823
Deferred inflows related to OPEB	(55,297)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds balance sheet. Long-term liabilities at year end consist of:	
Capital leases	(4,253,557)
Net pension asset	2,120,997
Net OPEB liability	(1,615,120)
Early retirement	(64,000)
Compensated absences	(1,248,630)
Total long-term liabilities	(5,060,310)
An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the assets and liabilities of the internal service fund is included in the governmental activities in the statement of net position.	1,703,870
Total net position - governmental activities	$ 90,887,148

City of Fountain, Colorado
Governmental Funds
Combined Statement of Revenues, Expenditures and Changes in Fund Balances
For the Year Ended December 31, 2021

	GENERAL FUND	TOTAL NONMAJOR FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES:			
Taxes	$ 23,438,859	$ 2,487,899	$ 25,926,758
Licenses and Permits	168,978	-	168,978
Charges for Services	1,110,488	24,978	1,135,466
Fines and Forfeitures	443,587	-	443,587
Intergovernmental	1,648,469	310,803	1,959,272
Investment Income	2,182	5,021	7,203
Miscellaneous	112,500	55,121	167,621
TOTAL REVENUES	26,925,063	2,883,822	29,808,885
General Government	6,677,376	957,603	7,634,979
Public Safety	12,663,154	63,130	12,726,284
Public Works	2,135,075	734,316	2,869,391
Health and Welfare	500,072	-	500,072
Culture and Recreation	989,671	81,912	1,071,583
Debt Service:			
Principal	819,305	67,081	886,386
Interest	151,397	1,099	152,496
Capital outlay	3,027,878	76,026	3,103,904
TOTAL EXPENDITURES	26,963,928	1,981,167	28,945,095
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(38,865)	902,655	863,790
OTHER FINANCING SOURCES (USES)			
Capital leases	349,509	131,789	481,298
Sale of capital assets	142,190	-	142,190
Insurance proceeds	265,330	-	265,330
Transfers in	1,221,418	-	1,221,418
Transfers out	(538,990)	-	(538,990)
NET CHANGE IN FUND BALANCE	1,400,592	1,034,444	2,435,036
FUND BALANCES, BEGINNING	10,562,933	5,550,266	16,113,199
FUND BALANCES, ENDING	$ 11,963,525	$ 6,584,710	$ 18,548,235

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

City of Fountain, Colorado

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

For the Year Ended December 31, 2021

Net change in fund balances - total governmental funds	$ 2,435,036
Capital outlays are reported in the governmental funds as an expenditure; however, for governmental activities, these costs are shown in the statement of net position and allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeds capital outlay.	
Depreciation expense	(4,854,856)
Capital outlay	5,000,142
Net amount	145,286
Payments of long-term debt principal are expenditures in governmental funds, but the payments reduce long-term liabilities in the statement of net position and do not affect the statement of activities. This amount represents payments on capital leases during the current year.	604,675
Some revenues/expenses reported in the statement of activities do not require the receipt/use of current financial resources and, therefore, are not reported as revenues/expenditures in the governmental funds.	
Capital lease proceeds	(481,298)
Changes in OPEB liability, deferred outflows and deferred inflows	(41,149)
Changes in pension liability/(asset), deferred outflows and deferred inflows	53,714
Accrued compensated absences	(58,074)
Change in early retirement liability	(8,000)
An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the net income of the internal service fund is included in governmental activities in the statement of activities.	82,601
Change in net position - governmental activities	$ 2,732,791

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

City of Fountain, Colorado
Proprietary Funds
Statement of Net Position
December 31, 2021

ASSETS	Business-Type Activities				Governmental Activities
Current Assets:	**Water**	**Electric**	**Nonmajor**	**Total**	**Internal Service Fund**
Cash and investments	$ -	$ 967,500	$ 1,674,780	$ 2,642,280	$ 3,065,325
Committed cash and investments	-	1,072,906	-	1,072,906	-
Restricted cash and investments	3,151,038	3,798,536	-	6,949,574	-
Accounts receivable	1,601,878	3,085,352	338,190	5,025,420	23,556
Inventories	344,017	2,262,426	-	2,606,443	-
Internal balances	(3,944,858)	3,944,858	-	-	-
Total Current Assets	1,152,075	15,131,578	2,012,970	18,296,623	3,088,881
Non-Current Assets:					
Capital assets, not being depreciated	34,797,621	286,924	-	35,084,545	-
Capital assets, net of accumulated depreciation	75,872,931	49,459,138	434,915	125,766,984	-
Total Non-Current Assets	110,670,552	49,746,062	434,915	160,851,529	-
TOTAL ASSETS	111,822,627	64,877,640	2,447,885	179,148,152	3,088,881
DEFERRED OUTFLOWS OF RESOURCES					
Deferred amount on refunding, net of accumulated amortization	732,838	-	-	732,838	-
LIABILITIES					
Current Liabilities:					
Accounts payable	449,169	4,124,851	14,968	4,588,988	9,338
Accrued liabilities	104,144	213,535	44,042	361,721	23,626
Customer deposits	133,444	905,927	-	1,039,371	-
Accrued interest payable	409,295	76,701	-	485,996	-
Insurance claims payable	-	-	-	-	262,594
Compensated absences payable	177,774	295,348	53,252	526,374	-
Early retirement payable	11,600	16,400	-	28,000	-
Capital leases payable	40,261	228,692	-	268,953	-
Agreement payable	-	-	14,115	14,115	-
Bonds and loans payable	1,725,000	300,000	-	2,025,000	-
Total Current Liabilities	3,050,687	6,161,454	126,377	9,338,518	295,558
Non-Current Liabilities:					
Compensated absences payable	58,210	289,425	7,278	354,913	-
Early retirement payable	400	20,800	-	21,200	-
Capital leases payable	71,028	2,900,748	-	2,971,776	-
Agreement payable	-	-	23,015	23,015	-
Bonds and loans payable	48,959,894	11,826,254	-	60,786,148	-
Total Non-Current Liabilities	49,089,532	15,037,227	30,293	64,157,052	-
TOTAL LIABILITIES	52,140,219	21,198,681	156,670	73,495,570	295,558
NET POSITION					
Net investment in capital assets	63,758,245	38,288,904	397,785	102,444,934	-
Restricted for capital projects	3,151,038	3,798,536	-	6,949,574	-
Unrestricted	(6,494,037)	1,591,519	1,893,430	(3,009,088)	2,793,323
TOTAL NET POSITION	$ 60,415,246	$ 43,678,959	$ 2,291,215	$ 106,385,420	$ 2,793,323

Amounts reported for Business-Type Activities in the Statement of Net Position are different

An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the assets and liabilities of the internal service fund is included in business-type activities in the statement of net position.	1,089,453
Total Net Position Business-Type Activities	$ 107,474,873

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

City of Fountain, Colorado
Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2021

	Business-Type Activities				Governmental Activities
	Water	Electric	Nonmajor	Total	Internal Service Fund
OPERATING REVENUES					
Charges for services	12,299,627	$ 27,039,503	$ 1,429,610	$ 40,768,740	4,198,849
Miscellaneous	869,813	2,043,308	-	2,913,121	-
TOTAL OPERATING REVENUES	$ 13,169,440	$ 29,082,811	$ 1,429,610	$ 43,681,861	$ 4,198,849
OPERATING EXPENSES					
Source of supply	1,859,787	15,786,163	-	17,645,950	-
Operations and maintenance	2,439,769	4,423,356	1,146,561	8,009,686	-
Customer accounts and collection	618,783	1,565,598	-	2,184,381	-
Administration and general	2,094,590	3,633,758	-	5,728,348	85,383
Insurance premiums	-	-	-	-	1,099,098
Insurance claims	-	-	-	-	2,880,372
Depreciation	2,777,556	1,877,361	118,596	4,773,513	-
TOTAL OPERATING EXPENSES	9,790,485	27,286,236	1,265,157	38,341,878	4,064,853
OPERATING INCOME (LOSS)	3,378,955	1,796,575	164,453	5,339,983	133,996
NON-OPERATING REVENUES (EXPENSES)					
Investment income	3,518	263	848	4,629	1,415
Interest expense	(2,124,348)	(433,806)	-	(2,558,154)	-
Gain (loss) on sale of assets	6,080	-	-	6,080	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(2,114,750)	(433,543)	848	(2,547,445)	1,415
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	1,264,205	1,363,032	165,301	2,792,538	135,411
Transfers in	12,650	711,403	-	724,053	-
Transfers out	(487,448)	(842,727)	(76,306)	(1,406,481)	-
System development fees	2,706,616	362,500	-	3,069,116	-
CHANGE IN NET POSITION	3,496,023	1,594,208	88,995	5,179,226	135,411
NET POSITION, BEGINNING OF YEAR, as restated	56,919,223	42,084,751	2,202,220	101,206,194	2,657,912
NET POSITION, END OF YEAR	$ 60,415,246	$ 43,678,959	$ 2,291,215	$ 106,385,420	$ 2,793,323

Amounts reported for Business-Type Activities in the Statement of Activities are different because:

Change in Net Position of Business-Type Activities	5,179,226
An internal service fund is used by management to charge the costs of health insurance to individual funds. A portion of the net income of the internal service fund is included in business-type activities in the statement of activities.	52,810
Total Change in Net Position of Business-Type Activities	$ 5,232,036

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

City of Fountain, Colorado
Proprietary Funds
Statements of Cash Flows
For the Year Ended December 31, 2021

	Business-Type Activities				Governmental Activities
	Water	Electric	Nonmajor Funds	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash received from customers	$ 12,179,766	$ 26,612,918	$ 1,482,908	$ 40,275,592	$ 4,192,399
Cash payment from other	869,813	2,043,308	-	2,913,121	-
Cash paid to employees	(2,230,325)	(1,755,671)	(941,024)	(4,927,020)	-
Cash paid for goods and services	(4,120,858)	(21,984,728)	(265,586)	(26,371,172)	(4,007,313)
NET CASH FROM OPERATING ACTIVITIES	6,698,396	4,915,827	276,298	11,890,521	185,086
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES					
Transfers in	59,061	4,675,121	(76,306)	4,657,876	-
Transfers out	(5,208,960)	-	-	(5,208,960)	-
NET CASH FROM NON-CAPITAL FINANCING ACTIVITIES	(5,149,899)	4,675,121	(76,306)	(551,084)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Proceeds from sale of capital assets	6,080	-	-	6,080	-
Purchase of capital assets	(1,425,440)	(8,502,664)	-	(9,928,104)	-
Debt proceeds	9,545,000	2,859,048	-	12,404,048	-
System development fees	2,706,616	362,500	-	3,069,116	-
Interest paid on capital leases and bonds	(2,668,224)	(500,931)	-	(3,169,155)	-
Principal paid on capital leases and bonds	(11,418,627)	(453,927)	-	(11,872,554)	-
NET CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES	(3,254,595)	(6,235,974)	-	(9,490,569)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest received	3,518	263	848	4,629	1,415
NET CASH FROM INVESTING ACTIVITIES	3,518	263	848	4,629	1,415
NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,702,580)	3,355,237	200,840	1,853,497	186,501
CASH AND CASH EQUIVALENTS					
Beginning of Year	4,853,618	2,483,705	1,473,940	8,811,263	2,878,824
End of Year	$ 3,151,038	$ 5,838,942	$ 1,674,780	$ 10,664,760	$ 3,065,325
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES					
Operating income (loss)	$ 3,378,955	$ 1,665,231	$ 88,147	$ 5,132,333	$ 133,996
Depreciation	2,777,556	1,877,361	118,596	4,773,513	-
Change in accounts receivable, net	(119,861)	(426,585)	53,298	(493,148)	(6,450)
Change in inventory	37,472	190,351	-	227,823	-
Change in accounts payable and accrued expenses	142,402	1,622,070	(80,366)	1,684,106	7,966
Increase (Decrease) in deposits	7,635	51,430	-	59,065	-
Change in deferred outflows	465,656	-	-	465,656	-
Change in insurance claims payable	-	-	-	-	49,574
Change in compensated absences payable	16,181	(51,631)	20,317	(15,133)	-
Change in early retirement payable	(7,600)	(12,400)	-	(20,000)	-
NET CASH FROM OPERATING ACTIVITIES	$ 6,698,396	$ 4,915,827	$ 199,992	$ 11,814,215	$ 185,086

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

City of Fountain, Colorado
Statement of Fiduciary Net Position
Pension Trust Fund
December 31, 2021

	TOTAL
ASSETS	
Cash	$ 4,352
Investments	
Local Government Investment Pools	469,363
Money Market Funds	237,289
TOTAL ASSETS	711,004
LIABILITIES	
Accounts Payable	15,500
TOTAL LIABILITIES	15,500
NET POSITION	
Restricted for Pension Benefits	695,504
TOTAL NET POSITION	$ 695,504

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

City of Fountain, Colorado
Statement of Changes in Net Position
Pension Trust Fund
For the Year Ended December 31, 2021

	Total
ADDITIONS	
Investment income	$ 454
TOTAL ADDITIONS	454
DEDUCTIONS	
Administration	3,774
Benefit Payments	15,500
TOTAL DEDUCTIONS	19,274
CHANGE IN NET POSITION	(18,820)
NET POSITION, BEGINNING OF YEAR	714,324
NET POSITION, END OF YEAR	$ 695,504

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

City of Fountain, Colorado
Notes to Financial Statements
December 31, 2021

1. Summary of Significant Accounting Policies

The accounting policies of the City of Fountain (the City) conform to generally accepted accounting principles as applicable to government entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Following is a summary of the more significant policies.

Reporting Entity

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments, and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization's governing board and is able to impose its will on the organization, or if the organization has the potential to provide benefits to, or impose financial burdens on, the City. Based on the application of these criteria, the City includes the following entities in its reporting entity.

The *Heritage Maintenance District* was established to maintain landscaping, fencing, drainage facilities, and other improvements within its boundaries. The *General Improvement District No. 1* was created to provide for the construction of a fire station, and after funding the fire station, for capital improvements including life safety improvements, park and recreational improvements, regional street improvements, and regional civic and cultural improvements. The *General Improvement District No. 2* was created to provide an alternate method of funding the construction, re-construction, and maintenance of certain public improvements within its boundaries. The City Council serves as the governing board for these districts and City management has operational responsibility for the districts. Therefore, their financial activity is blended into the City's financial statements. Separate financial statements are not issued.

The *Fountain Urban Renewal Authority* (the Authority) was created to redevelop or rehabilitate certain blighted areas within the City. The Authority has a separate governing board with members appointed by the City Council. Although the Authority is legally separate from the City, the Authority's primary revenue source, tax increment financing, can only be established by the City. The Authority is discretely presented in the City's financial statements. Separate financial statements for the Authority are available at City Hall, 116 South Main Street, Fountain, Colorado 80817.

1. Summary of Significant Accounting Policies (continued)

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 nonfiduciary activities of the City and its component units. For the most part, the effect of interfund activity has been removed from these statements. Exceptions to this general rule are charges for interfund services that are reasonably equivalent to the services provided. *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. The *primary government* is reported separately from the legally separate *component unit* for which the City is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are 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*.

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

Measurement focus, basis of accounting, and financial statement presentation

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 pension trust fund financial statements. Revenues are recorded when earned and expenses are recorded when the 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 collected within the current year or soon enough thereafter to pay liabilities of the current year. For this purpose, the City considers revenues to be available if they are collected within 60 days of the end of the current year. Taxes, intergovernmental revenues, and interest associated with the current year are considered to be susceptible to accrual and so have been recognized as revenues of the current year. All other revenues are considered to be measurable and available only when cash is received by the City. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due.

1. Summary of Significant Accounting Policies (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses 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 nonoperating revenues and expenses.

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

In the fund financial statements, the City reports the following major governmental fund:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

The City also reports the following major enterprise funds:

Water Utility - This fund accounts for all activities necessary for the provision of water services to the City residents.

Electric Utility - This fund accounts for all activities necessary to provide electric power to the City residents.

Additionally, the City reports the following fund types:

Internal Service Fund - The Insurance Fund accounts for the activities related to employee health benefits, which are partially self-insured by the City.

Pension Trust Fund - The Pension Trust Fund is used to account for assets held by the City in a trustee capacity for the City's volunteer firefighters pension plan.

Budgetary Accounting

The City follows these procedures to establish the budgetary information reflected in the financial statements:

- In September, management submits to the City Council a proposed operating budget for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to December 31, the budget is legally adopted through passage of an ordinance.

1. Summary of Significant Accounting Policies (continued)

- Management is authorized to transfer budgeted amounts between departments within any fund. However, any revisions that alter the total expenditures of any fund must be approved by the City Council. State statutes stipulate that expenditures may not exceed budgeted appropriations at the fund level.
- Budgets are legally adopted for all funds of the City. Fiduciary fund budgets have not been presented in the financial statements. Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgetary comparisons for the proprietary funds are presented on a non-GAAP budgetary basis. Debt principal is recognized as an expenditure for budgetary purposes. Capital outlay is budgeted as an expenditure, and depreciation and amortization are not budgeted.
- All appropriations lapse at year end.

Assets, Liabilities and Net Position/Fund Balance

Cash Equivalents - Cash equivalents include investments with original maturities of three months or less. Investments in pooled cash are considered cash equivalents.

Receivables - Receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

Inventories - Inventories of the proprietary funds are valued using the average cost method and are reported as expenses when consumed. Materials and supplies purchased by the governmental funds are charged to operations when purchased.

Prepaid Expenses - Payments to vendors for services that will benefit subsequent years are reported as prepaid expenses.

Interfund Receivables and Payables - During the course of operations, certain transactions occur between individual funds. The resulting receivables and payables are classified in the fund financial statements as *interfund receivables* and *interfund payables* when they are short-term in nature. Noncurrent portions of interfund receivables and payables are reported as *advances from other funds* and *advances to other funds*. Any residual balances outstanding between governmental and business-type activities are reported in the government-wide financial statements as *internal balances*.

Capital Assets - Capital assets, which include land, buildings, equipment, and all infrastructure assets owned by the City, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary funds in the fund financial statements. Capital assets are defined by the City as assets with an initial, individual cost of $5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

1. Summary of Significant Accounting Policies (continued)

Donated capital assets are recorded at acquisition value on the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset lives are not capitalized.

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

Buildings and Improvements	10 - 40 years
Infrastructure	25 - 40 years
Computers and Software	3 - 7 years
Machinery and Equipment	5 - 10 years
Vehicles	5 - 7 years

Unearned Revenues - Unearned revenues in the Electric Fund represent donations from customers that may be used to assist other customers with their utility bills.

Deferred Inflows of Resources - Deferred inflows of resources include property taxes earned but levied for a subsequent year.

Compensated Absences - Employees of the City are allowed to accumulate unused vacation and sick time. Upon termination of employment from the City, an employee will be compensated for all accrued vacation time up to 320 hours at their current pay rate, and for unused sick time, depending on years of service, up to 720 hours at a percentage of their current rate of pay. Employees hired after March 1, 2006, will be paid for all accrued vacation time up to 240 hours and for unused sick time, depending on years of service, up to 360 hours at a percentage of their current rate of pay.

These compensated absences are expensed when earned in the proprietary funds and when paid in the governmental funds. A long-term liability has been reported in the government-wide financial statements for the accrued compensated absences.

Postemployment Benefits - An employee with at least 20 years of service with the City, and who has reached at least 55 years of age at retirement, is eligible to receive health and life insurance coverage after retirement. This benefit expires when the retiree reaches the age of 65, thereby making the maximum eligibility period 10 years. A long-term liability is reported in the government-wide financial statements as the postemployment benefits are earned.

Early Retirement - During the year ended December 31, 2013, the City offered early retirement benefits to qualified employees. In lieu of receiving postemployment health and life insurance coverage after retirement, the employees will receive annual payments of $12,000 for nine years or until the employee reaches age 65. At December 31, 2014, this offer was closed to further participation. A long-term liability is reported in the government-wide financial statements and the proprietary funds in the fund financial statements when the early retirement benefits are accepted by the employee and approved by the City.

1. Summary of Significant Accounting Policies (continued)

Long-Term Debt - In the government-wide financial statements and the proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Debt premiums, discounts, and refunding losses are deferred and amortized over the life of the debt using the straight-line method.

In the fund financial statements, governmental funds recognize the face amount of debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Issuance costs, whether or not withheld from the debt proceeds, are reported as current expenses or expenditures.

Pensions - The City participates in the Statewide Defined Benefit Plan, a cost-sharing multiple-employer defined benefit pension plan, and the Statewide Hybrid Plan, a cost-sharing multiple-employer combination defined benefit and money purchase pension plan. The plans are administered by the Fire & Police Pension Association of Colorado (FPPA). In addition, the City maintains a single-employer defined benefit pension plan for volunteer firefighters.

The net pension asset (liability), deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position, and additions to and deductions from each plan's fiduciary net position have been determined using the accrual basis of accounting, the same basis of accounting used by the plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Employee contributions are recognized in the year the contributions are due.

Net Position/Fund Balances - In the government-wide and fund financial statements, net position and fund balances are restricted when constraints placed on the use of resources are externally imposed. As reported in the governmental fund financial statements, the City Council establishes a fund balance commitment through passage of an ordinance and is authorized to informally assign amounts to a specific purpose.

The City Council has established the ideal target reserves at 40% of the current operating budget of the General Fund. The reserves should not be allowed to fall below 20% of the current operating budget, including the emergency reserve required by the Tabor Amendment (See Note 11).

The City has not established a formal policy for its use of restricted and unrestricted fund balances. However, if both restricted and unrestricted fund balances are available for a specific purpose, the City uses restricted fund balances first, followed by committed, assigned, and unassigned balances.

1. Summary of Significant Accounting Policies (continued)

Property Taxes

Property taxes attach as an enforceable lien on property on January 1 and are levied the following December for collection in the subsequent calendar year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the City on a monthly basis. Since property tax revenues are collected in arrears during the succeeding year, receivables and corresponding deferred inflows of resources are reported at year end.

Reclassifications

Certain accounts in the prior-year financial statements have been reclassified to conform with the presentation in the current-year financial statements.

2. Cash and Investments

A summary of cash and investments as of December 31, 2021, follows:

Petty Cash	$	3,498
Deposits		28,110,604
Investments		7,402,373
Total	$	35,516,475

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

Cash and investments	$	27,362,206
Committed Cash and investments		1,072,906
Restricted Cash and investments		7,081,363
Total	$	35,516,475

Deposits

The Colorado Public Deposit Protection Act (PDPA) requires all local government entities to deposit cash in eligible public depositories. Eligibility is determined by State regulations. Amounts on deposit in excess of federal insurance levels must be collateralized by eligible collateral as determined by the PDPA. The PDPA allows the financial institution to create a single collateral pool for all public funds held. The pool is to be maintained by another institution or held in trust for all uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. At December 31, 2021, all of the City's bank deposits were insured by FDIC or collateralized with securities held by the financial institutions' agents but not in the City's name.

2. Cash and Investments (continued)

Investments

The City is required to comply with State statutes which specify investments meeting defined rating, maturity, and concentration risk criteria in which local governments may invest, which include the following. State statutes do not address custodial risk. The City's investment policy does not further limit these investment choices.

Colorado statutes specify in which instruments the local government may invest, which include:

1. Repurchase agreements in obligations of the United States;
2. Obligations of the United States or obligations unconditionally guaranteed by the United States;
3. General obligation or revenue bonds of any state, District of Columbia, US territory or any of their subdivisions, with certain limitations;
4. Bankers acceptance issued by a state or national bank, with certain limitations;
5. Commercial paper, with certain limitations;
6. Any obligation, certificate of participation or lease/purchase of the investing public entity;
7. Money market funds, with certain limitations, which invest in the types of securities listed above;
8. Guaranteed investment contracts, with other certain limitations;
9. Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments and must comply with the same restrictions on cash deposits and investments. These trusts are "Colotrust" and "CSAFE".

At December 31, 2021, the District had the following investments reported as cash and cash equivalents:

		Investment Maturities (in Years)		
Investment Type	**Rating**	**Less than 1**	**1 to Less than 5**	**Total**
Local Government Investment Pools	AAAm	$ 276,876	$ -	$ 276,876
Money Market Funds	Not Rated	1,895,018	-	1,895,018
U.S. Agency Securities	AA+	1,498,950	-	1,498,950

2. Cash and Investments (continued)

Investment Type	Rating	Investment Maturities (in Years) Less than 1	1 to Less than 5	Total
Municipal Securities	A+	502,180	2,691,042	3,193,222
Corporate Securities	A+	538,037	-	538,037
Total		$ 4,711,331	$ 2,691,042	$ 7,402,373

Fair Value Measurements - The City reports its investments using the fair value measurements established by generally accepted accounting principles. As such, a fair value hierarchy categorizes the inputs used to measure the fair value of the investments into three levels. Level 1 inputs are quoted prices in active markets for identical investments; Level 2 inputs include quoted prices in active markets for similar investments, or other observable inputs; and Level 3 inputs are unobservable inputs. The U.S. Agency, municipal, and corporate securities were measured utilizing quoted prices in active markets for similar investments (Level 1 inputs). The local government investment pools and money market funds were reported at the net asset value per share.

Interest Rate Risk - State statutes limit investments to an original maturity of five years from the date of purchase unless the governing board authorizes the investment for a period in excess of five years. Corporate securities must mature within three years.

Credit Risk - State statutes limit investments in municipal securities to those with at least two credit ratings at or above A or its equivalent by nationally recognized statistical rating organizations (NRSROs). Corporate securities must have at least two credit ratings from any of the NRSROs at or above AA- or its equivalent. State statutes also limit investments in money market funds to those that maintain a constant share price, with a maximum remaining maturity in accordance with the Securities and Exchange Commission's Rule 2a-7, and either have assets of one billion dollars or the highest rating issued by one or more NRSROs.

Concentration of Credit Risk - State statutes do not limit the amount the City may invest in a single issuer of U.S. Agency or municipal securities. Corporate securities are limited to fifty percent of the total investment portfolio and five percent for a single issuer. At December 31, 2021, the City's investments in the Exxon Mobil Corporation represented 18% of the City's total investments and investments in Wells Fargo Bank represented 17% of the City's total investments.

Custodial Credit Risk - At December 31, 2021, the City's investments in U.S. Agency, municipal, and corporate securities, and certain money market funds were held by the counterparty (broker), but not in the City's name.

2. Cash and Investments (continued)

Local Government Investment Pools - At December 31, 2021, the City had $5,268 and $271,608 invested in the Colorado Local Government Liquid Asset Trust (Colotrust) and the Colorado Surplus Asset Fund Trust (CSAFE), respectively. The Trusts are investment vehicles established for local government entities in Colorado to pool surplus funds. The Colorado Division of Securities administers and enforces the requirements of creating and operating the Trusts. The Trusts operate in conformity with the Securities and Exchange Commission's Rule 2a-7, with each share valued at $1. Both Trusts are rated AAAm by Standard and Poor's. Investments of the Trusts are limited to those allowed by State statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. The custodian's internal records identify the investments owned by the participating governments.

Committed Cash and Investments

Beginning January 1, 2006, the City committed to use system development fees and water acquisition fees received by the Water Fund exclusively for growth-related capital improvements and purchases of water rights. In addition, system development fees collected by the Electric Fund are committed for the construction of a new substation. The remaining cash and investments at December 31, 2021, of $1,072,906 were reported as committed cash and investments in the Electric Fund.

Restricted Cash and Investments

Lease proceeds of $131,789 are restricted in the Public Transportation Fund for capital projects. Loan and lease proceeds of $3,151,038 and $3,798,536 are restricted in the Water and Electric Funds, respectively, for debt reserves and leased equipment.

3. Capital Assets

Capital assets activity for the year ended December 31, 2021 is summarized below:

	Balance December 31, 2020	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2021
Governmental Activities				
Capital assets, *not being depreciated* :				
Land and easements	$ 1,874,166	$ -	$ -	$ 1,874,166
Construction in progress	1,596,882	384,863	(1,302,421)	679,324
Total capital assets, *not being depreciated*	3,471,048	384,863	(1,302,421)	2,553,490
Capital assets, being depreciated:				
Buildings and improvements	16,746,752	2,153,622	-	18,900,374
Infrastructure	117,089,648	2,167,159	-	119,256,807
Computers and Software	1,278,314	222,415	-	1,500,729
Machinery and Equipment	5,485,289	243,608	(935,409)	4,793,488
Vehicles	7,258,808	1,130,894	-	8,389,702
Total capital assets, being depreciated	147,858,811	5,917,698	(935,409)	152,841,100
Less accummulated depreciation:				
Buildings and improvements	(4,928,386)	(758,619)	-	(5,687,005)
Infrastructure	(62,740,300)	(2,974,646)	-	(65,714,946)
Computers and Software	(749,651)	(195,082)	-	(944,733)
Machinery and Equipment	(3,991,568)	(315,743)	935,409	(3,371,902)
Vehicles	(4,368,383)	(610,766)	-	(4,979,149)
Total Accumulated Depreciation	(76,778,288)	(4,854,856)	935,409	(80,697,735)
Total capital assets, *being depreciated* , net	71,080,523	1,062,842	-	72,143,365
Capital assets, net	$ 74,551,571	$ 1,447,705	$ (1,302,421)	$ 74,696,855

Depreciation expense was charged to governmental programs of the City as follows:

Governmental Activities	
General Government	$ 283,615
Public Safety	868,602
Public Works	3,511,461
Health and Welfare	2,537
Culture and Recreation	188,641
Total	$ 4,854,856

3. Capital Assets (continued)

	Balance December 31, 2020	Transfers/ Additions	Transfers/ Retirements	Balance December 31, 2021
Business-Type Activities				
Capital assets, *not being depreciated* :				
Land and easements	$ 7,113,005	$ -	$ -	$ 7,113,005
Water and Storage Rights	25,783,459	416,667	-	26,200,126
Construction in progress	18,731,788	382,434	(17,342,808)	1,771,414
Total capital assets, *not being depreciated*	51,628,250	799,101	(17,342,808)	35,084,545
Capital assets, being depreciated:				
Buildings and improvements	9,824,993	12,097,197	-	21,922,190
Infrastructure	128,305,117	13,960,296	-	142,265,413
Computers and Software	3,248,702	346,044	-	3,594,746
Machinery and Equipment	4,225,031	61,103	-	4,286,134
Vehicles	3,210,585	23,180	-	3,233,765
Total capital assets, being depreciated	148,814,428	26,487,820	-	175,302,248
Less accummulated depreciation:				
Buildings and improvements	(3,912,533)	(384,495)	-	(4,297,028)
Infrastructure	(33,501,873)	(3,359,902)	-	(36,861,775)
Computers and Software	(1,665,034)	(513,650)	-	(2,178,684)
Machinery and Equipment	(3,551,383)	(246,011)	-	(3,797,394)
Vehicles	(2,130,928)	(269,455)	-	(2,400,383)
Total Accumulated Depreciation	(44,761,751)	(4,773,513)	-	(49,535,264)
Total capital assets, *being depreciated* , net	104,052,677	21,714,307	-	125,766,984
Capital assets, net	$ 155,680,927	$22,513,408	$ (17,342,808)	$ 160,851,529

Depreciation expense was charged to business-type programs of the City as follows:

Business-Type Activities	
Water	$ 2,777,556
Electric	1,877,361
Ambulance	118,596
Total	$ 4,773,513

4. Long-Term Debt

Governmental Activities

Following is a summary of long-term debt transactions for the governmental activities for the year ended December 31, 2021.

	Balance at December 31, 2020	Additions	Payments	Balance at December 31, 2021	Due Within One Year
Other Obligations:					
Capital Leases	$ 4,376,934	$ 481,298	$ (604,675)	$ 4,253,557	$ 526,118
Compensated Absences	1,190,556	337,767	(279,693)	1,248,630	750,733
Early Retirement	56,000	72,000	(64,000)	64,000	52,000
Total	$ 5,623,490	$ 891,065	$ (948,368)	$ 5,566,187	$ 1,328,851

During 2012, the City entered into a lease purchase agreement for $3,000,000 to build a new fire station and remodel the police building. During 2013, an additional $218,000 was borrowed under the agreement to complete the projects. Interest payments are due semi-annually on March 1 and September 1, with interest accruing at 3.95% per annum. Principal payments are due annually on September 1, through September 2032. At December 31, 2021, capital assets of $3,289,284, net of accumulated depreciation of $1,081,048, were reported under this lease.

During 2017, the City entered into a lease agreement for $104,300 to purchase a police vehicle. Monthly payments of $995 are due under the lease agreement beginning in January 2018, through December 2027. Interest accrues on the outstanding balance at 2.74% per annum. Capital assets of $84,537 less accumulated depreciation of $48,307 are reported under this lease.

During 2017, the City entered into a lease agreement for $809,770 to purchase vehicles. Monthly payments of $14,218 are due under the lease agreement through August 2027. Interest accrues on the outstanding balance at 2.07% per annum. Capital assets of $797,880 less accumulated depreciation of $536,139 are reported under this lease.

During 2017, the City entered into a lease agreement for $482,518 to purchase a fire vehicle. Monthly payments of $4,552 are due under the lease agreement through August 2027. Interest accrues on the outstanding balance at 2.52% per annum. Capital assets of $482,518 less accumulated depreciation of $139,394 are reported under this lease.

During 2017, the City used capital lease proceeds in the amount of $1,000,000 and other City resources to finance improvements to the Lorraine Center. Principal is due annually beginning in September 2017, through 2032. Interest accrues on the outstanding balance at 3.15% per annum and is payable semi-annually in March and September. Capital assets of $1,147,753 less accumulated depreciation of $195,118 are reported as a result of this transaction.

4. Long-Term Debt (continued)

Governmental Activities (continued)

During 2017, the City entered into a lease agreement for $1,004,165 to improve the City buildings' energy performance. Principal and interest are due quarterly beginning in March 2018, through December 2032. Interest accrues on the outstanding balance at 2.72% per annum. Capital assets of $458,587 less accumulated depreciation of $282,795 are reported as a result of this transaction.

During 2017, the City entered into a lease agreement for $451,200 to purchase information technology equipment. Annual payments of $97,306 are due under the lease agreement with an initial payment due in January 2018, and annual payments thereafter beginning in September 2018, through 2021. Interest accrues on the outstanding balance at 3.92% per annum. Capital assets of $324,024 less accumulated depreciation of $259,219 are reported under this lease. Lease payments totaling $69,768 will be made by the General Fund. The remaining payments will be made by the Water and Electric Funds, in the amounts of $82,321 and $139,829, respectively.

During 2017, the City entered into a lease agreement for $713,080 to purchase information technology equipment and vehicles. Principal and interest are due quarterly beginning in January 2018, through December 2022. Interest accrues on the outstanding balance at 0.2% per annum. Capital assets of $34,445 less accumulated depreciation of $19,683 are reported as a result of this transaction.

During 2020, the City entered into a lease agreement for $174,143 to purchase information technology equipment. Principal and interest are due annually beginning in May 2021, through September 2024. Interest accrues on the outstanding balance at 4.35% per annum. Capital assets in the amount of $174,143 net of accumulated depreciation in the amount of $19,349 are reported as a result of this transaction.

During 2021, the City entered into a lease agreement for $131,789 to purchase a bus. Principal and interest are due annually beginning in June 2021, through June 2025. Interest accrues on the outstanding balance at 1.21% per annum. Capital assets in the amount of $131,789 net of accumulated depreciation in the amount of $0 are reported as a result of this transaction.

During 2021, the City entered into a lease agreement for $349,509 to purchase trucks. Principal and interest are due annually beginning in November 2021, through November 2026. Interest accrues on the outstanding balance at 2.90% per annum. Capital assets in the amount of $349,509 net of accumulated depreciation in the amount of $0 are reported as a result of this transaction.

4. Long-Term Debt (continued)

Governmental Activities (continued)

During 2021, the City entered into a lease agreement for $2,859,047 to improve the City's energy performance. Principal and interest are due annually beginning in November 2022, through November 2041. Interest accrues on the outstanding balance at 2.165% per annum. There were no capital assets recorded as of December 31, 2021 related to this lease agreement. Restricted cash in the amount of $2,859,047 held in Escrow is recorded as restricted cash in the Electric Fund.

The following are events of default under the above lease agreements: (i) failure to make any lease payment (or any other payment) as it becomes due in accordance with the terms of the lease when funds have been appropriated sufficient for such purpose; (ii) failure to perform or observe any other covenant, condition, or agreement to be performed or observed by it hereunder and such failure is not cured during a stated time period after written notice thereof by the lessor; (iii) the discovery by lessor that any statement, representation, or warranty made by the City in the lease or in writing delivered by lessee is false, misleading or erroneous in any material respect; (iv) proceedings under any bankruptcy, insolvency, reorganization or similar legislation shall be instituted against or by the lessee, or a receiver or similar officer shall be appointed for lessee or any of its property, and such proceedings or appointments shall not be vacated, or fully stayed, within a certain time period after the institution or occurrence thereof; or (v) an attachment, levy or execution is threatened or levied upon or against the equipment.

In the event of default, the lessors may, at their option: (i) declare all amounts due under the lease; (ii) request the City to discontinue use of the equipment; (iii) sell or lease the equipment; (iv) request the return of the equipment to the lessor; or (v) exercise any other right available under law.

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4. Long-Term Debt (continued)

Business-Type Activities (continued)

Following is a schedule of the future minimum lease payments under the governmental activities capital lease obligations.

Year ending December 31,	
2022	$ 662,807
2023	545,287
2024	539,905
2025	496,784
2026	609,027
2027-2031	1,805,174
2032	364,618
Total Minimum Lease Payments	5,023,600
Less: Interest Portion	(770,043)
Total Future Principal Payments	$ 4,253,557

The liabilities for compensated absences, postemployment benefits, and early retirement are expected to be liquidated primarily with General Fund revenues.

Business-Type Activities

Following is a summary of long-term debt transactions for the business-type activities for the year ended December 31, 2021.

	Balance at December 31, 2020	Additions	Payments	Balance at December 31, 2021	Due Within One Year
Notes Payable:					
2013 CWRPDA Loan	$ 9,915,000	$ -	$ (9,915,000)	$ -	$ -
Premium	415,998	-	(415,998)	-	-
2014 CWRPDA Loan	14,640,000	-	(490,000)	14,150,000	505,000
Premium	1,057,269	-	(44,204)	1,013,065	-
	26,028,267	-	(10,865,202)	15,163,065	505,000

4. Long-Term Debt (continued)

Business-Type Activities (continued)

	Balance at December 31, 2020	Additions	Payments	Balance at December 31, 2021	Due Within One Year
Bonds Payable:					
2015 Water Revenue Bonds	$ 3,535,000	$ -	$ (95,000)	$ 3,440,000	$ 95,000
Premium	49,745	-	(1,990)	47,755	-
2016 Water Revenue Bonds	5,930,000	-	(245,000)	5,685,000	250,000
Premium	736,601	-	(41,695)	694,906	-
2019 Revenue Bonds	18,700,000	-	(400,000)	18,300,000	500,000
Premium	2,019,591	-	(109,167)	1,910,424	-
2020 Revenue Refunding Bonds	8,340,000	-	(315,000)	8,025,000	335,000
2021 Revenue Refunding Bonds	-	9,545,000	-	9,545,000	340,000
Agreement payable	37,130	-	-	37,130	14,115
	39,348,067	9,545,000	(1,207,852)	47,685,215	1,534,115
Other Obligations:					
Capital Leases	649,235	2,859,048	(267,554)	3,240,729	268,953
Compensated Absences	896,420	761,365	(776,500)	881,285	526,374
Early Retirement	69,200	-	(20,000)	49,200	28,000
	1,614,855	3,620,413	(1,064,054)	4,171,214	823,327
Total	$ 66,991,189	$ 13,165,413	$ (13,137,108)	$ 67,019,494	$ 2,862,442

During 2013, the City entered into a loan agreement for $12,640,000 with the CWRPDA. Loan proceeds were used for construction of the Southern Delivery System (See Note 11) and for additional costs to remodel the utilities customer service center. Interest payments are due semi-annually on March 1 and September 1. Principal payments are due annually on September 1, through 2043. Interest accrues at rates ranging from 2% to 5% per annum. This loan was paid off with the proceeds from the 2021 Revenue Refunding Bonds.

During 2014, the City entered into a loan agreement for $16,900,000 with the CWRPDA. Loan proceeds were used for construction of the Southern Delivery System (See Note 11), purchase of water rights, replacement of old water mains, installation of a supervisory control and data acquisition system (SCADA), and to refund a portion of the 2005 CWRPDA loan. Interest payments are due semi-annually on March 1 and September 1. Principal payments are due annually on September 1, through 2044. Interest accrues at rates ranging from 2% to 5% per annum.

The following are considered to be events of default under all CWRPDA loan agreements:

(a) failure by the City to pay or cause to be paid any amounts required to be paid when due, which failure shall continue for a period of ten days;

4. Long-Term Debt (continued)

Business-Type Activities (continued)

(b) failure by the City to make or cause to be made any required payments of principal of redemption premium if any and interest on any bonds notes or other obligations for borrowed money, after giving effect to the applicable grace period, the payments of which are secured by pledged property;

(c) failure by the City to pay or cause to be paid the Administrative Fee or any portion thereof when due or to observe and perform any duty covenant obligation or agreement on its part to be observed or performed under the loan agreement and other than a failure to comply with the provisions of the loan agreement, which failure shall continue for a period of thirty days after written notice specifying such failure and requesting that it be remedied is given to the City by the Trustee;

(d) a petition is filed by or against the City under any federal or state bankruptcy or insolvency law or other similar law in effect on the date of the loan agreement or thereafter enacted unless in the case of any such petition filed against the City such petition shall be dismissed within thirty days after such filing and such dismissal shall be final and not subject to appeal or the City shall become insolvent or bankrupt or make an assignment for the benefit of its creditors or a custodian including without limitation a receiver liquidator or trustee of the City or any of its property shall be appointed by court order to take possession of the City or its property or assets if such order remains in effect or such possession continues for more than thirty days.

In the event of default, the lender may initiate legal proceedings to enforce their rights under the loan agreement.

During 2015, the City issued $3,965,000 Water Revenue Bonds, Series 2015. Bond proceeds were used for construction of the Southern System (See Note 11). Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2045. Interest accrues at rates ranging from 3% to 3.625% per annum.

During 2016, the City issued $7,150,000 Water Revenue Refunding Bonds, Series 2016. Bond proceeds were used to repay the balance of the 2009 CWRPDA Loan, originally issued for future water storage sites, and the acquisition of a customer service building. Interest accrues on the bonds at rates ranging from 2% to 4% per annum. Interest payments are due semi-annually on June 1 and December 1. Principal payments are due annually on December 1, through 2038.

During 2019, the City issued $19,000,000 Electric, Water and Wastewater Utility Revenue Bonds, Series 2019. Bond proceeds were used to fund various capital projects. Interest accrues on the bonds at rates ranging from 3% to 5% per annum. Interest payments are due semi-

4. Long-Term Debt (continued)

Business-Type Activities (continued)

annually on June 1 and December 1. Principal payments are due annually on December 1, through 2039.

In October 2020, the City entered into a refunding transaction whereby the series 2020 revenue refunding bonds were issued to refund the 2011 CWRPDA Loan. The series 2020 bonds were issued in the amount of $8,340,000. The net proceeds of $8,168,306 (after payment of $171,694 in underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt payments on the 2011 CWRPDA loan callable in 2021. The total amount deposited with the escrow agent included the $7,795,000 loan balance and deferred amounts on refunding As a result of this transaction, the 2011 CWRPDA Loan is considered to be defeased in-substance and the liability for those bonds has been removed from the proprietary fund statement of net position.

The City completed the advanced refunding in 2020 to to reduce its total debt service payments over the next 21 years by $1,640,637 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $ 1,297,977.

In November 2021, the City entered into a refunding transaction whereby the series 2021 revenue refunding bonds were issued to refund the 2013 CWRPDA Loan. The series 2021 bonds were issued in the amount of $9,545,000. The net proceeds of $10,039,292 (including a cash contribution from the City of $682,548 and payment of $188,257 in underwriting fees and other issuance costs) were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for future debt payments on the 2013 CWRPDA loan callable in 2022. The total amount deposited with the escrow agent included the $9,640,000 loan balance and deferred amounts on refunding As a result of this transaction, the 2011 CWRPDA Loan is considered to be defeased in-substance and the liability for those bonds has been removed from the proprietary fund statement of net position.

The City completed the advance refunding in 2021 to reduce its total debt service payments over the next 22 years by $1,930,919 and to obtain an economic gain (difference between the present values of the old and new debt service payments) of $ 1,495,113.

The following are considered to be events of default under each of the 2015, 2016, 2019, 2020 and 2021 Revenue Refunding Bonds:

(a) failure to make any payment of principal of, premium, if any, or interest on the Bonds when due

4. Long-Term Debt (continued)

Business-Type Activities (continued)

(b) failure to make, or cause to be made, any required payments of principal of, redemption premium, if any, and interest on any Parity Lien Obligations

(c) failure by the City to observe and perform any duty, covenant, obligation or agreement on its part to be observed or performed under the Bond Ordinance, other than a failure to comply with the continuing disclosure provisions required pursuant to Rule 15c2-12 which failure continues for a period of 30 days after written notice

(d) a petition is filed by or against the City under any federal or State bankruptcy or insolvency law or other similar law in effect or the City becomes insolvent or bankrupt or make an assignment for the benefit of its creditors, or a custodian (including, without limitation, a receiver, liquidator or trustee of the City or any of its property) is appointed by court order to take possession of the City or its property or assets if such order remains in effect or such possession continues for more than 30 days.

In the event of default, the Owners of not less than 25% in principal amount of the applicable Bonds then Outstanding have the right to take or to direct the Paying Agent to take any action permitted or required pursuant to the Bond Ordinance and to take whatever other action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due or to enforce the performance and observance of any duty, covenant, obligation or agreement of the City, including, without limitation, to obtain ex parte the appointment of a receiver of the System.

The Water Fund loans and bonds are payable solely from revenues of the City's utility system, which includes the Water and Electric Funds, after deduction of operating and maintenance costs, provided that revenues are limited to 50% of tap fee revenues. During the year ended December 31, 2021, net revenues of $5,175,530 were available to pay annual debt service of approximately $1,600,000.

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4. Long-Term Debt (continued)

Business-Type Activities (continued)

Future debt service requirement of the outstanding bonds and loans at December 31, 2021 were as follows:

Year ended December 31,	Principal	Interest	Total
2022	$ 2,025,000	$ 2,159,711	$ 4,184,711
2023	2,190,000	2,095,367	4,285,367
2024	2,255,000	2,026,801	4,281,801
2025	2,335,000	1,953,696	4,288,696
2026	2,405,000	1,875,470	4,280,470
2027-2031	13,415,000	8,471,620	21,886,620
2032-2036	16,145,000	5,860,484	22,005,484
2037-2041	14,675,000	2,746,436	17,421,436
2042-2044	3,700,000	530,067	4,230,067
Total Future Debt Payments	$ 59,145,000	$ 27,719,652	$ 86,864,652

During 2015, the City entered into a lease agreement for $83,000 to purchase an ambulance. Monthly payments of $1,235 are due under the lease agreement through July 2021. Interest accrues on the outstanding balance at 2.28% per annum. Capital assets of $163,063 less accumulated depreciation of $128,121 are reported under this lease.

During 2017, the City entered into a lease agreement for $713,080 to purchase computer equipment, software, and a vehicle. Monthly payments of $12,594 are due under the lease agreement beginning in January 2018, through December 2022. Interest accrues on the outstanding balance at 2% per annum. Capital assets of $740,062 less accumulated depreciation of $112,928 are reported as a result of this transaction.

During 2020, the City entered into a lease agreement for $348,286 to purchase information technology equipment. Principal and interest are due annually beginning in September 2020, through September 2024. Interest accrues on the outstanding balance at 4.35% per annum. Capital assets in the amount of $348,286 net of accumulated depreciation in the amount of $38,698 are reported as a result of this transaction.

Following is a schedule of the future minimum lease payments required under the business-type activities capital lease obligations, including the equipment leases to be paid partially by the governmental activities.

4. Long-Term Debt (continued)

Year ended December 31,	
2022	$ 341,807
2023	258,167
2024	258,167
2025	182,452
2026	182,452
2027-2031	912,259
2032-2036	912,259
2037-2041	912,259
Total Minimum Lease payments	3,959,822
Less: Interest Portion	(719,093)
Present Value of Future Minimum Lease Payments	$ 3,240,729

5. Joint Venture

The City is a participant in the Fountain Valley Authority which was formed to construct and operate a water treatment plant. Participants in the Authority are the Cities of Fountain and Colorado Springs, Security Water District, Stratmoor Hills Water District and Widefield Water and Sanitation District. The City is represented on the Authority's Board of Directors by one member. The Board of Directors has the responsibility for all operations of the Authority.

The City's share of available capacity for the year ended December 31, 2021, was 608 acre feet of project water, representing an ownership percentage of participation of 9.95%.

The City's share of the Authority is not included in the financial statements since the Authority is a component unit of the City of Colorado Springs. Financial information about the Fountain Valley Authority can be obtained in a separate report available at City Hall.

6. Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; natural disasters; and health and dental claims of its employees. The City accounts for and finances its risk activities in the General Fund and the Insurance Internal Service Fund.

Public Entity Risk Pool

For property, liability and workers compensation risks of loss, the City is a member of the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and

6. Risk Management (continued)

Public Entity Risk Pool (continued)

legal entity formed by intergovernmental agreement by member municipalities pursuant to the provisions of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and the Colorado Constitution, Article XIV, Section 18(2).

The purposes of CIRSA are to provide members defined liability, property, and workers compensation coverages and to assist members to prevent and reduce losses and injuries to municipal property and to persons or property which might result in claims being made against members of CIRSA, their employees or officers.

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

Insurance Fund

Effective October 1, 2009, the City established a partially self-insured program for employee health, dental and short-term disability benefits. Transactions of the self-insurance program are reported in the Insurance Fund, an internal service fund. The City has purchased excess insurance policies to cover individual claims in excess of $50,000, and aggregate annual claims in excess of approximately $3,388,169, depending on enrollment counts. Premiums are paid by the General, Water, Electric, and Ambulance Funds.

Claims liabilities, including estimated incurred but not reported claims (IBNR), are reported in the government-wide financial statements and the internal service fund if information available prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Other than current amounts, the City believes the estimated claims liability is not fully measurable, and the City could incur additional costs related to IBNR claims.

Changes in claims payable were as follows:

	2021	2020
Claims Payable, *Beginning of Year*	$ 213,020	$ 244,889
Claims and Changes in Provisions	2,257,350	2,070,594
Claims Payments	(2,207,776)	(2,528,503)
Claims Payable, *End of Year*	$ 262,594	$ 213,020

7. Defined Benefit Retirement Plans

Volunteer Firefighters' Pension Plan

General Information

Plan Description - The City has established the Volunteer Firefighters' Pension Plan, a single-employer defined benefit pension plan for volunteer firefighters as authorized by State of Colorado statutes. The plan is administered by a Board of Trustees composed of City Council members and firefighters. The Board of Trustees also establishes and is allowed to amend contribution and benefit requirements. The plan does not publish a separate stand-alone report but is reported in the financial statements as a Pension Trust Fund.

Plan Membership - At December 31, 2021, plan membership consisted of the following:

Inactive plan members or beneficiaries currently receiving benefits	3
Inactive plan members entitled to but not yet receiving benefits	15
Active plan members	7
Total	25

Benefits Provided - Any firefighter who has both attained the age of fifty and completed twenty years of active service shall be eligible for a monthly pension benefit of $200. A firefighter who is disabled in the line of duty and whose disability is of such character and magnitude as to deprive the firefighter of earning capacity and extends beyond one year shall be compensated in an amount determined by the Board of Trustees, currently $200 each month. Monthly survivor benefits are $200 unless the firefighter was disabled, in which case the survivor benefit is $100 each month.

Contributions - As established by State statutes, the plan may receive contributions from the City in an amount not to exceed one-half mill of property tax revenue. The State of Colorado contributes 90% of the City's contribution. Plan members are not required to contribute to the plan. The contributions are not actuarially determined. The actuarial valuation as of January 1, 2020, indicated that the current level of contributions is adequate to support on an actuarially-sound basis the prospective benefits of the present plan. No contributions were made to the plan during the year ended December 31, 2021.

Investments

Investment Policy - The Board of Trustees has the authority to establish an investment policy for the plan but has not done so. City management currently makes all investment decisions.

Rate of Return - For the year ended December 31, 2021, the annual money-weighted rate of return on plan investments, net of investment expense, was 0.06%. The money-weighted rate of

7. Defined Benefit Retirement Plans (continued)

Volunteer Firefighters' Pension Plan (continued)

return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

Net Pension Asset

At December 31, 2021, the City reported a net pension liability(asset) of $(493,394). The net pension liability/(asset) was measured at December 31, 2021, and the total pension liability used to calculate the net pension liability/(asset) was determined by an actuarial valuation as of January 1, 2020 rolled forward to the measurement date.

Actuarial Assumptions - The total pension liability/(asset) was determined by an actuarial valuation as of January 1, 2020, using the following actuarial assumptions, applied to all periods included in the measurement.

Interest Rate – 2.3% per annum, compounded annually, net of operating expenses. Mortality - Pub-2010 mortality table for general employees, projected with generational mortality improvement using Scale MP-2020. Separate annuitant and non-annuitant rate tables were used.

The long-term expected rate of return on plan investments was unable to be determined as the actuary was not provided with details regarding the allocation of invested assets among asset classes as of December 31, 2021 in order to develop the long-term expected rate of return on plan assets.

Discount Rate - The discount rate used to measure the total pension liability/(asset) was 2.3%. The projection of cash flows used to determine the discount rate assumed that contributions will continue to follow the current funding policy. Based on those assumptions, the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Had there been a point where assets were projected to be depleted, a rate of 2.25% as of December 31, 2021 would have been used in the development of the blended GASB discount rate after that point. The 2.25% rate is based on the S&P Municipal Bond 20-Year High Grade Rate Index as of December 31, 2021.

For the year ended December 31, 2021, changes in the net pension liability/(asset) of the City were as follows.

7. Defined Benefit Retirement Plans (continued)

Volunteer Firefighters' Pension Plan (continued)

	Increase (Decrease)		
	Total Pension Liability (a)	**Plan Fiduciary Net Position (b)**	**Net Pension Asset (a)-(b)**
Balances at December 31, 2020	$ 138,591	$ 714,325	$ (575,734)
Changes for the year:			
Service Cost	4,604	-	4,604
Interest	6,357	-	6,357
Differences between expected and actual experience	-	-	-
Investment income	-	454	(454)
Administrative expenses	-	(175)	175
Changes of assumptions	71,658	-	71,658
Benefit Payments	(3,600)	(3,600)	-
Balances at December 31, 2021	$ 217,610	$ 711,004	$ (493,394)

Total plan fiduciary net position as a percentage of total net pension liability is 326.73%

Sensitivity of the Net Pension Asset to Changes in the Discount Rate - The following table presents the net pension liability/(asset) of the City at December 31, 2021, calculated using the discount rate of 2.3%, as well as what the City's net pension liability/(asset) would be if it were calculated using a discount rate that is one percentage point lower (1.3%) or one percentage point higher (2.3%) than the current rate, as follows:

	1% Decrease (3.5%)	Current Discount Rate (4.5%)	1% Increase (5.5%)
City's Net Pension Asset	$ (441,870)	$ (493,394)	$ (531,482)

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

For the year ended December 31, 2021, the City recognized pension expense of $5,045. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the Volunteer Firefighters' Pension Plan from the following sources:

7. Defined Benefit Retirement Plans (continued)

Firefighters' Pension Plans

	Deferred Outflows of Resources	Deferred Inflows of Resources
Volunteer Firefighters' Pension Plan		
Differences between expected and actual experience	$ -	$ 1,043
Net difference between projected and actual earnings on plan investments	52,931	-
Changes of assumptions or other inputs	54,754	436
Subtotal	$ 107,685	$ 1,479

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Volunteer Firefighters' Pension Plan will be recognized as pension expense as follows.

Year ended December 31,	
2022	$ 41,295
2023	36,407
2024	22,184
2025	6,320
Total	$ 106,206

Plan Description - The City contributes to the Statewide Defined Benefit Plan (the SWDB Plan), a cost-sharing multiple-employer defined benefit pension plan, The plan is administered by the Fire & Police Pension Association of Colorado (FPPA). Effective September 1, 2011, paid firefighters had the option to remain in the City's existing pension plan or choose to participate in the SWH plan. Firefighters hired after September 1, 2011, are required to participate in the SWDB on the first day of employment. Title 31, Article 31 of the Colorado Revised Statutes (CRS) grants the authority to establish and amend benefit terms to the FPPA Board of Directors. That report may be obtained at www.fppaco.org.

Benefits Provided - SWDB Plan - A SWDB Plan member is eligible for a normal retirement pension once the member has completed twenty-five years of credited service and has attained the age of 55. The annual normal retirement benefit is 2% of the average of the member's highest three years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter. The benefit earned prior to January 1, 2007 for members of affiliated Social Security employers will be reduced by the amount of Social Security income payable to the member annually. Effective January 1, 2007, members covered under Statewide Defined Benefit Social Security Component will receive half the benefit when compared to the

7. Defined Benefit Retirement Plans (continued)

Firefighters' Pension Plans (continued)

Statewide Defined Benefit Plan. Benefits paid to retirees are evaluated and may be re-determined every October 1. The amount of any increase is based on the FPPA Board of Director's discretion and can range from zero to the higher of 3% or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

Contributions

SWDB Plan Contributions - The City and eligible employees are required to contribute to the SWDB Plan at rates established by state statutes. Employer contribution rates can only be amended by state statute. Employee contribution rates can be amended by the 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.

The City and eligible employees contributed 8% and 10.5% of pensionable earnings, respectively, for the year ended December 31, 2021. SWDB Plan members elected to increase the employee contribution rate 0.5% annually from 2015 through 2022, to a total of 12% of pensionable earnings. Employer contributions will increase 0.5 percent annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings.

Contributions from employees and employers reentering the SWDB Plan are established by resolution of the FPPA Board of Directors. The reentry group had a combined contribution rate of 23% of pensionable earnings through December 31, 2021. The split of contributions between employees and the City is determined by the City Council.

Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reduce the additional 4 percent contribution, to reflect the actual cost of reentry by department, to the plan for reentry contributions. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

7. Defined Benefit Retirement Plans (continued)

Firefighters' Pension Plans (continued)

The City's contributions to the SWDB Plan for the year ended December 31, 2021, were $552,062, equal to the required contributions.

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

At December 31, 2021, the City reported net pension liability/(asset) of $(1,627,603), representing its proportionate shares of the net pension liability/(asset) of the SWDB plan. The net pension

liability/(asset) was measured at December 31, 2020, and the total pension liability used to calculate the net pension liability/(asset) was determined by actuarial valuations as of January 1, 2021. The City's proportion of the net pension liability/(asset) was based on a projection of the City's contributions to the plans for the calendar year ended December 31, 2020, relative to the projected contributions of all participating employers.

At December 31, 2020, the City's proportion of the SWDB Plan was 0.749701%, which was a decrease of 0.0575463% from its proportion measured at December 31, 2019.

For the year ended December 31, 2021, the City recognized pension expense for the SWDB Plan of $305,456. At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to the SWDB Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,380,368	$ 6,474
Net difference between projected and actual earnings on plan investments	-	1,671,783
Changes of assumptions or other inputs	692,244	-
Changes of proportion	-	470,652
Contributions subsequent to the measurement date	552,062	-
Subtotal	$ 2,624,674	$ 2,148,908

City contributions to the SWDB Plan subsequent to the measurement date of $552,062, will be recognized as an increase or decrease to the net pension liabilities/(assets) in the subsequent fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

7. Defined Benefit Retirement Plans (continued)

Firefighters' Pension Plans (continued)

Year ended December 31,	
2022	$ (326,957)
2023	(110,117)
2024	(391,375)
2025	(82,817)
2026	315,273
Thereafter	519,697
Total	$ (76,296)

Actuarial Assumptions - The actuarial valuations as of January 1, 2021, determined the total pension (asset) liability using the following actuarial assumptions and other inputs.

Investment rate of return, compounded annually, net of plan Investment expenses, including inflation	7.0%
Inflation	2.5%
Projected salary increases	4.25% - 11.25%
Cost of living adjustments (COLA)	0.0%

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

The current actuarial methods and assumptions were adopted by the FPPA Board of Directors in July 2018 for first use in the actuarial valuation as of January 1, 2019, based upon the actuary's analysis of past experience and expectations of the future.

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

7. Defined Benefit Retirement Plans (continued)

Firefighters' Pension Plans (continued)

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of December 31, 2020, are summarized in the following table:

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

Discount Rate **-** The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates in the FPPA Board of Director's funding policy, which establishes the contractually required rates under State statutes. Based on those assumptions, the plans' fiduciary net position was projected to be available to make all projected future benefit payments to current members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate at the prior measurement date was 7.0%.

Sensitivity of the Net Pension Asset (Liability) to Changes in the Discount Rate - The following presents the City's proportionate share of the net pension liabilities/(assets) calculated using the discount rate of 7.0%, as well as the City's proportionate share of the net pension asset (liability) if it were calculated using a discount that is one percentage point lower (6.0%) or one percentage point higher (8.0%) than the current rate, as follows:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
City's proportionate share of the SWDB Net Position Liability/(Asset)	$ 1,637,927	$ (1,627,603)	$ (4,331,870)

7. Defined Benefit Retirement Plans (continued)

Firefighters' Pension Plans (continued)

Pension Plan Fiduciary Net Position - Detailed information about the plans' fiduciary net position is available in FPPA's separately issued financial report, which may be obtained at www.fppaco.org.

Total pension expense recognized for the SWDB plan during 2021 was $305,456.

Total Defined Benefit Retirement Plan activity is consolidated and presented in the financials statements as noted below:

	SWDB Plan	Volunteer Plan	Total
Net pension asset	$ 1,627,603	$ 493,394	$ 2,120,997
Deferred Pension Related Outflows	$ 2,624,674	$ 107,685	$ 2,732,359
Deferred Pension Related Inflows	$ 2,148,908	$ 1,479	$ 2,150,387

9. Retirement Commitments

Police and Firefighter Money Purchase Pension Plan

The City contributes to a single-employer defined contribution Money Purchase Pension Plan on behalf of police officers and paid firefighters that did not elect to participate in the FPPA Plans. The City is required to contribute 9.5% of each participating employee's compensation, and each employee must contribute a matching amount. The Plan provisions and contribution requirements are established and may be amended by the City Council. Employees are eligible to participate in the Plan as of the first day of work as an employee and become fully vested after five years of service.

For the year ended December 31, 2021, the City contributed $10,269 to the Plan, equal to the required contributions. All of the Plan investments at December 31, 2021, are managed by Empower Retirement Company, an outside administrator.

The City contributes to a single-employer defined contribution Money Purchase Pension Plan on behalf of non-police and firefighter employees. The City is required to contribute 4.5% of each participating employee's compensation, and each employee must contribute a matching amount.

The Plan provisions and contribution requirements are established and may be amended by the City Council. Employees are eligible to participate in the Plan after six months of employment.

Participants become fully vested after five years of service or upon reaching the age of 55.

8. Retirement Commitments (continued)

Police and Firefighter Money Purchase Pension Plan

For the year ended December 31, 2021, the City contributed $421,758 to the Plan, equal to the required contributions. All of the Plan investments at December 31, 2021, are managed by the Colorado County Officials and Employees Retirement Association (CCOERA), an outside administrator.

9. Post-Employment Benefits Other Than Pensions

Plan Description - The City has established a single-employer defined benefit postemployment healthcare plan. Employees with at least 20 years of service with the City, and who have reached at least 55 years of age, are eligible to receive health insurance benefits after retirement. These benefits expire when the retiree reaches the age of 65. The authority to establish and amend benefit provisions rests with the City Council. The City does not issue a stand-alone financial report for the plan.

Funding Policy - The contribution requirements of plan members and the City are established and may be amended by the City Council. The required contribution is based on projected pay-as-you-go financing requirements. The City pays the entire monthly insurance premium. Plan members are not required to contribute to the plan. For the year ended December 31, 2021, the City paid premiums for retirees totaling $69,220.

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - At December 31, 2021, the City reported an OPEB liability of $1,615,120. The net OPEB liability was measured as of December 31, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2021.

For the year ended December 31, 2021, changes in the net OPEB liability of the City were as follows.

	Net OPEB Liability
Balance at December 31, 2020	$ 1,219,988
Changes for the year:	
Service Cost	91,486
Interest	24,159
Differences between expected and actual experiences	443,794
Changes of assumptions	(44,298)
Benefit Payments	(120,009)
Balances at December 31, 2021	$ 1,615,120

9. Post-Employment Benefits Other Than Pensions (continued)

For the year ended December 31, 2021, the City recognized OPEB expense of $161,157 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
Changes of assumptions or other inputs	$ 471,823	$ 55,297

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,	
2022	$ 45,512
2023	45,512
2024	45,512
2025	45,512
2026	45,512
Thereafter	188,966
Total	$ 416,526

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:

Actuarial cost method	Entry age normal, level percent of salary
Salary increases, including wage inflation	5.00 percent
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	N/A
Discount rate	2.25 percent
Health care cost trend rates	6.75% in 2020 decreasing to 4.50% in 2031+

9. Post-Employment Benefits Other Than Pensions (continued)

Plan membership as of December 31, 2020 was as follows:

Membership by type	Count
Inactive plan members or beneficiaries currently receiving benefits	7
Inactive plan members entitled to but not yet receiving benefits	-
Active plan members	267
Total	274

Health care cost trend rates were based on census and premium information provided by the City, as well as age and morbidity factors.

Age morbidity factors for pre-Medicare morbidity were developed from "Health Care Costs-From Birth do Death" sponsored by the Society of Actuaries and prepared by Dale H. Yamamoto (May 2013). Table 4 from Mr. Yamamoto's study formed the basis of Medicare morbidity factors that are gender distinct and assumed a cost allocation of 60% for pharmacy, 20% for inpatient, 10% for outpatient, and 10% for professional services. Adjustments were made to Table 4 factors for inpatient costs at age 70 and below to smooth out what appears to be a spike in utilization for Medicare retirees gaining healthcare for the first time through Medicare.

Healthy mortality assumptions and disabled retiree mortality assumptions for active members were both based on the Pri-2012 Headcount Weighted Total Dataset tables projected generationally using scale MP-2019.

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 benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease	Current Trend Rate	1% Increase
City's OPEB Liability	$ 1,444,564	$ 1,615,120	$ 1,818,302

Discount rate. The discount rate used to measure the total OPEB liability was 2.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above.

Benefit payments and contributions were assumed to be made on a pay-as-you-go basis.

9. Post-Employment Benefits Other Than Pensions (continued)

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 2.25 percent, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (1.25 percent) or 1-percentage-point higher (3.25 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
City's OPEB Liability	$ 1,694,767	$ 1,615,120	$ 1,535,966

10. Commitments and Contingencies

TABOR Amendment

Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which has several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The Amendment is complex and subject to judicial interpretation. The City believes it is in compliance with the requirements of the Amendment. However, the City has made certain interpretations of the Amendment's language in order to determine compliance.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2021, the emergency reserve was reported as restricted fund balance in the General Fund, in the amount of $979,978.

Claims and Judgements

The City participates in a number of federal, state, and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2021, significant amounts of grant expenses have not been audited but management believes that subsequent audits will not have a material effect on the overall financial position of the City.

Southern Delivery System

The City, along with the City of Colorado Springs, Security Water and Sanitation District, and Pueblo West Metropolitan District, are partners in the Southern Delivery System project. This project will convey raw water from Pueblo Reservoir through a 66" diameter, 53-mile pipeline to Upper Williams Creek Reservoir and Universal Water Treatment Plant located east of Colorado

10. Commitments and Contingencies (continued)

Springs. The City's participation in the conveyance capacity is 2,500 acre-feet per year and 5.625 million gallons per day (mgd) in the water treatment plant. The project was online in 2016, and all construction was completed in early 2020.

Under the terms of the project agreement, the City's participation is reported in the financial statements as an undivided interest, whereby the City reports its assets, liabilities, revenues, and expenses associated with the joint project. At December 31, 2021, the City reported capital assets, net of depreciation, of $46,284,430 for this project.

Conveyance Service Contract

The City, as a participant in the Fountain Valley Authority, receives raw water through the Fountain Valley Conduit (the Conduit) pursuant to a conveyance service contract with the Southeastern Colorado Water Conservancy District. Under the terms of the contract, the participants are assessed a service charge for the costs of constructing the Conduit. The City's future service charges are as follows:

Year Ended December 31,2022	$ 371,198
Present Value of Future Minimum Lease Payments	$ 371,198

Litigation

The City is involved in various pending or threatened litigation. The outcome of this litigation cannot be determined at this time.

Concentration of Risk

A substantial amount of the City's sales tax revenues is received from four taxpayers. A reduction in this revenue, if it were to occur, may have a significant effect on the City's programs and activities.

Economic Development Tax Incentive Agreements

The City has approved several agreements to rebate certain property, sales and use taxes generated by new businesses. During the year ended December 31, 2021, the City paid $2,865,452 under these agreements.

11. Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of coronavirus (COVID-19) a pandemic. As a result, economic uncertainties have arisen which may negatively impact operations of the City. Other financial impact could occur, though such potential impact is unknown at this time.

12. Restatement

The City has restated the prior year financial statements to correctly reflect accounts receivable and charges for services in the Ambulance Fund. Prior years' accounts receivable for service revenue was not recorded causing revenue and accounts receivable to be understated in prior years. The effect of the restatement is summarized as follows:

Restatement of Ambulance Fund Net Position

	December 31, 2020 As Orginally Stated	Restatement	December 31, 2020 As Restated
Net Position	$ 336,792	$ 388,701	$ 725,493

Restatement of Proprietary Fund Total Net Position

	December 31, 2020 As Orginally Stated	Restatement	December 31, 2020 As Restated
Net Position - Business-Type Activities Total	$ 100,817,493	$ 388,701	$ 101,206,194

City of Fountain, Colorado

Required Supplementary Information

City of Fountain, Colorado

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Taxes				
Property taxes	$ 2,636,266	$ 2,636,266	$ 2,377,149	$ (259,117)
Sales taxes	13,842,752	15,042,752	16,522,145	1,479,393
Use taxes	1,935,120	1,935,120	1,905,112	(30,008)
Specific ownership taxes	252,000	252,000	289,784	37,784
Franchise taxes	2,128,750	2,128,750	2,344,669	215,919
Total Taxes	20,794,888	21,994,888	23,438,859	1,443,971
Licenses and Permits				
Business licenses	128,000	128,000	168,978	40,978
Total Licenses and Permits	128,000	128,000	168,978	40,978
Charges for Services				
Developer fees	200,000	200,000	218,779	18,779
Impact fees	37,500	37,500	36,225	(1,275)
Park fees	30,000	30,000	6,030	(23,970)
School district juvenile program	677,000	677,000	741,486	64,486
Off duty police program	55,000	55,000	45,072	(9,928)
Cemetery	11,000	11,000	11,000	-
Miscellaneous	67,350	67,350	51,896	(15,454)
Total Charges for Services	1,077,850	1,077,850	1,110,488	32,638
Fines and Forfeitures	486,300	486,300	443,587	(42,713)
Intergovernmental				
Highway users tax	699,293	699,293	760,591	61,298
Road and bridge fund	31,750	31,750	38,054	6,304
Motor vehicle registration	87,000	87,000	91,162	4,162
Cigarette taxes	40,000	40,000	55,611	15,611
State and local grants	103,500	390,500	171,888	(218,612)
Federal grants	6,500	3,869,118	314,800	(3,554,318)
Federal grants	180,000	180,000	216,363	36,363
Total Intergovernmental	1,148,043	5,297,661	1,648,469	(3,649,192)
Investment Income	32,500	32,500	2,182	(30,318)
Miscellaneous				
Other	160,975	160,975	112,500	(48,475)
Total Miscellaneous	160,975	160,975	112,500	(48,475)
TOTAL REVENUES	23,828,556	29,178,174	26,925,063	(2,253,111)

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

City of Fountain, Colorado

General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
EXPENDITURES				
General Government				
Legislative	65,147	65,147	45,088	20,059
Judicial	277,267	277,267	234,529	42,738
Economic development	2,528,792	2,928,792	2,883,556	45,236
Information technology	2,187,809	2,638,099	1,870,509	767,590
Planning and engineering	695,680	1,139,180	880,471	258,709
Administration	942,387	1,719,839	1,271,231	448,608
Total General Government	6,697,082	8,768,324	7,185,384	1,582,940
Public Safety				
Police	8,127,260	8,411,790	8,276,414	135,376
Communications	592,708	592,708	583,606	9,102
Fire	4,222,952	6,183,731	4,902,908	1,280,823
Total Public Safety	12,942,920	15,188,229	13,762,928	1,425,301
Public Works				
Highway and streets	1,914,671	2,189,671	2,107,895	81,776
Facilities and maintenance	574,864	623,346	768,813	(145,467)
Total Public Works	2,489,535	2,813,017	2,876,708	(63,691)
Health and Welfare				
Code Enforcement	490,723	544,723	469,537	75,186
Cemetery	34,750	34,750	41,344	(6,594)
Total Health and Welfare	525,473	579,473	510,881	68,592
Parks and Recreation				
Parks	1,186,483	2,661,133	1,612,181	1,048,952
Community Outreach	53,800	53,800	45,144	8,656
Total Parks and Recreation	1,240,283	2,714,933	1,657,325	1,057,608
Debt Service	952,880	952,880	970,702	(17,822)
TOTAL EXPENDITURES	24,848,173	31,016,856	26,963,928	4,052,928
OTHER FINANCING SOURCES AND (USES)				
Capital Leases	610,000	610,000	349,509	(260,491)
Sale of capital assets	-	-	142,190	142,190
Insurance proceeds	-	108,000	265,330	157,330
Transfers in	1,197,451	1,197,451	1,221,418	23,967
Transfers out	(857,305)	(857,305)	(538,990)	318,315
TOTAL OTHER FINANCING SOURCES AND (USES)	950,146	1,058,146	1,439,457	381,311
NET CHANGE IN FUND BALANCE	$ (69,471)	$ (780,536)	$ 1,400,592	$ 2,181,128
FUND BALANCES, BEGINNING OF YEAR	3,601,207		10,562,933	
FUND BALANCES, END OF YEAR	$ 3,531,736		$ 11,963,525	

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

Required Supplementary Information
Volunteer Pension Fund
Schedule of Changes in Net Pension Liability and Related Ratios
Last 10 Years

Measurement period ended December 31,	2021	2020	2019	2018	2017	2016	2015	2014
Total pension liability								
Service cost	$ 4,604	$ 5,446	$ 5,313	$ 6,090	$ 13,751	$ -	$ -	$ -
Interest	6,357	6,197	5,640	5,546	11,460	14,655	14,188	13,765
Difference between expected and actual experience	-	(2,433)	-	-	(144,009)	-	-	-
Changes of assumptions	71,658	(572)	6,118	(3,954)	-	(94,965)	-	-
Benefit Payments	(3,600)	(5,000)	(4,600)	(5,100)	(4,800)	(4,000)	(3,600)	(4,800)
Net change in total pension liability	79,019	3,638	12,471	2,582	(123,598)	(84,310)	10,588	8,965
Total pension liability - Beginning	138,591	134,953	122,482	119,900	243,498	327,808	317,220	308,255
Total pension liability - Ending (a)	217,610	138,591	134,953	122,482	119,900	243,498	327,808	317,220
Plan fiduciary net position								
Employer contributions	-	-	-	-	-	-	-	-
Net investment income	454	3,940	11,155	9,962	4,948	3,029	2,732	2,191
Benefit payments	(3,600)	(5,000)	(4,600)	(5,100)	(4,800)	(4,000)	(3,600)	(4,800)
Administrative expense	(175)	(175)	-	(3,693)	(3,270)	(2,850)	(10,539)	(150)
State of Colorado supplemental discretionary payment	-	-	-	-	-	-	-	-
Net change in plan fiduciary net position	(3,321)	(1,235)	6,555	1,169	(3,122)	(3,821)	(11,407)	(2,759)
Plan fiduciary net position - beginning	714,325	715,560	709,005	707,836	710,958	714,779	726,186	728,945
Plan fiduciary net position - end (b)	711,004	714,325	715,560	709,005	707,836	710,958	714,779	726,186
District's net pension asset - ending (a)-(b)	$ (493,394)	$ (575,734)	$ (580,607)	$ (586,523)	$ (587,936)	$ (467,460)	$ (386,971)	$ (408,966)
Plan fiduciary net position as a percentage of the total pension asset	327%	515%	530%	579%	590%	292%	218%	229%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.
Note 2: The data provided in this schedule is based as of the measurement date of the District's net pension asset.

City of Fountain, Colorado
Required Supplementary Information
Retiree Health Insurance Plan
Schedule of Changes in Net OPEB Liability
Last 10 Years

Year ending December 31,	2021	2020	2019	2018
Total OPEB liability				
Service cost	$ 91,486	$ 75,208	$ 68,407	$ 69,786
Interest	24,159	37,847	40,958	36,179
Difference between expected and actual experience	443,794	-	-	-
Changes of assumptions	(44,298)	71,241	19,974	(25,189)
Benefit Payments	(120,009)	(99,321)	(101,348)	(96,984)
Net change in total OPEB liability	395,132	84,975	27,991	(16,208)
Total OPEB liability - Beginning	1,219,988	1,135,013	1,107,022	1,123,230
Total OPEB liability - Ending	$ 1,615,120	$ 1,219,988	$ 1,135,013	$ 1,107,022
Covered payroll	$ -	$ -	$ -	$ -
Total OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

Note 2: The data provided in this schedule is based as of the measurement date of the District's net OPEB liability.

City of Fountain, Colorado
Required Supplementary Information
Schedules of Proportionate Share of the Net Pension Liabilities and Related Ratios

Statewide Defined Benefit Plan

Year Ending	Proportion of the Net Pension Liability/Asset	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability (Asset) as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability/Asset
12/31/2021	0.74970075%	$ (1,627,603)	$ 5,408,779	-30.1%	106.7%
12/31/2020	0.72470184%	$ (456,549)	$ 5,264,431	-8.7%	101.9%
12/31/2019	0.82451333%	$ 1,042,411	$ 4,909,389	21.2%	95.2%
12/31/2018	0.30674205%	$ (441,297)	$ 1,638,955	-26.9%	106.3%
12/31/2017	0.28760751%	$ (96,829)	$ 1,331,905	-7.3%	98.0%
12/31/2016	0.28396312%	$ 5,006	$ 1,224,894	0.4%	100.1%
12/31/2015	0.31188443%	$ 351,985	$ 1,227,432	29.0%	107.0%
12/31/2014	0.32238512%	$ 288,272	$ 1,202,066	24.0%	106.0%

Statewide Hybrid Plan

Year Ending	Proportion of the Net Pension Liability	Proportionate Share of the Net Pension Liability (Asset)	Actual Covered Payroll	Net Pension Liability as a Percentage of Covered Payroll	Fiduciary Net Position as a Percentage of Total Pension Liability
**12/31/2021	N/A	N/A	N/A	N/A	N/A
12/31/2020	0.96090110%	$ (187,126)	$ 161,421	-115.9%	130.1%
12/31/2019	0.84503560%	$ (116,644)	$ 141,768	-82.3%	123.5%
12/31/2018	0.47396124%	$ 92,672	$ 108,220	85.6%	138.9%
12/31/2017	0.52041609%	$ 56,649	$ 76,282	80.0%	126.0%
12/31/2016	0.47649964%	$ 50,189	$ 70,847	76.0%	129.0%
12/31/2015	0.50235952%	$ 59,578	$ 66,053	91.0%	141.0%
12/31/2014	0.46745219%	$ 47,680	$ 65,458	75.0%	139.0%

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

** The data provided in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.*

*** There were no paticipants in the Statewide Hybrid Plan during the year ending 12/31/2021*

City of Fountain, Colorado
Required Supplementary Information
Schedules of Employer Contributions
As of Years Ended

Statewide Defined Benefit Plan

Year Ending	Actuarially Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
12/31/2021	$ 552,062	$ 552,062	-	$ 5,941,268	9.29%
12/31/2020	$ 481,733	$ 481,733	-	$ 5,408,779	8.91%
12/31/2019	$ 475,954	$ 475,954	-	$ 5,264,431	9.04%
12/31/2018	$ 441,845	$ 441,845	-	$ 4,909,389	9.00%
12/31/2017	$ 143,538	$ 143,538	-	$ 1,638,955	8.76%
12/31/2016	$ 117,754	$ 117,754	-	$ 1,331,905	8.84%
12/31/2015	$ 110,127	$ 110,127	-	$ 1,224,894	8.99%
12/31/2014	$ 112,204	$ 112,204	-	$ 1,227,432	9.14%

Statewide Hybrid Plan

Year Ending	Actuarially Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Payroll	Contributions as a Percentage of Covered Payroll
**12/31/2021	N/A	N/A	N/A	N/A	N/A
12/31/2020	$ 10,435	$ 10,435	-	$ 109,841	9.50%
12/31/2019	$ 15,335	$ 15,335	-	$ 161,421	9.50%
12/31/2018	$ 13,468	$ 13,468	-	$ 141,768	9.50%
12/31/2017	$ 10,281	$ 10,281	-	$ 108,220	9.50%
12/31/2016	$ 7,247	$ 7,247	-	$ 76,282	9.50%
12/31/2015	$ 6,730	$ 6,730	-	$ 70,847	9.50%
12/31/2014	$ 6,275	$ 6,275	-	$ 66,053	9.50%

Postemployment Benefit Plan

Year Ending	Actuarially Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Payroll	Required Contributions as a Percentage of Covered Payroll

N/A - funding is pay-as-you-go

Note: This schedule is intended to show information for ten years. Additional years will be displayed as they become available.

** The data in this schedule is based as of the measurement date of the District's net pension liability, which is as of the beginning of the year.*

*** There were no paticipants in the Statewide Hybrid Plan during the year ending 12/31/2021*

City of Fountain, Colorado

Other Supplementary Information

City of Fountain, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	CONSERVATION TRUST	HERITAGE MAINTENANCE DISTRICT	GENERAL IMPROVEMENT DISTRICTS	VOLUNTEER FIRE
ASSETS				
Cash and Investments	$ 551,352	$ 555,719	$ 1,139,332	$ 75,698
Restricted cash and cash equivalents	-	-	-	-
Accounts Receivable	254	1,021	2,633	41
Taxes receivable	-	90,982	274,918	-
TOTAL ASSETS	551,606	647,722	1,416,883	75,739
LIABILITIES, DEFFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 7	$ -	$ -	$ 4,362
Accrued liabilities	-	-	-	-
TOTAL LIABILITIES	7	-	-	4,362
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	90,982	274,918	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	7	90,982	274,918	4,362
FUND BALANCES				
Restricted for:				
Parks	551,599	-	-	-
District Repairs and Maintenance	-	556,740	1,141,965	-
Transportation	-	-	-	-
Street Repairs and Maintenance	-	-	-	-
Street Improvements	-	-	-	-
Committed to Volunteer Fire Activities	-	-	-	71,377
TOTAL FUND BALANCES	551,599	556,740	1,141,965	71,377
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 551,606	$ 647,722	$ 1,416,883	$ 75,739

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

City of Fountain, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2021

	PUBLIC TRANSPORTATION	STREET RESURFACING	STREET IMPROVEMENT	TOTALS
ASSETS				
Cash and Investments	$ 2,276,258	$ 376,819	$ 1,093,579	$ 6,068,757
Restricted cash and cash equivalents	131,789	-	-	131,789
Accounts Receivable	283,384	145,778	614	433,725
Taxes receivable	-	-	-	365,900
TOTAL ASSETS	2,691,431	522,597	1,094,193	7,000,171
LIABILITIES, DEFFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 26,825	$ 830	$ 1,365	$ 33,389
Accrued liabilities	16,172	-	-	16,172
TOTAL LIABILITIES	42,997	830	1,365	49,561
DEFERRED INFLOWS OF RESOURCES				
Property taxes	-	-	-	365,900
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	42,997	830	1,365	415,461
FUND BALANCES				
Restricted for:				
Parks	-	-	-	551,599
District Repairs and Maintenance	-	-	-	1,698,705
Transportation	2,648,434	-	-	2,648,434
Street Repairs and Maintenance	-	521,767	-	521,767
Street Improvements	-	-	1,092,828	1,092,828
Committed to Volunteer Fire Activities	-	-	-	71,377
TOTAL FUND BALANCES	2,648,434	521,767	1,092,828	6,584,710
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	$ 2,691,431	$ 522,597	$ 1,094,193	$ 7,000,171

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

City of Fountain, Colorado

Combining Statement of Revenues, Expenditures And Changes in Fund Balance Nonmajor Governmental Funds For the Year Ended December 31, 2021

	CONSERVATION TRUST	HERITAGE MAINTENANCE DISTRICT	GENERAL IMPROVEMENT DISTRICTS	VOLUNTEER FIRE
REVENUES				
Taxes	$ -	$ 86,692	$ 198,280	$ -
Charges for Services	-	-	-	24,978
Intergovernmental	310,803	-	-	-
Investment Income	342	380	1,126	103
Miscellaneous	-	-	-	2,391
TOTAL REVENUES	311,145	87,072	199,406	27,472
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Works	-	48,746	-	-
Public Safety	-	-	-	63,130
Culture and Recreation	81,912	-	-	-
Debt Service:				
Principal	-	-	-	-
Capital outlay:	76,026	-	-	-
TOTAL EXPENDITURES	157,938	48,746	-	63,130
NET CHANGE IN FUND BALANCE	153,207	38,326	199,406	(35,658)
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	-	-
	153,207	38,326	199,406	(35,658)
FUND BALANCE, BEGINNING OF YEAR	398,392	518,414	942,559	107,035
FUND BALANCE, END OF YEAR	$ 551,599	$ 556,740	$ 1,141,965	$ 71,377

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

City of Fountain, Colorado

Combining Statement of Revenues, Expenditures And Changes in Fund Balance Nonmajor Governmental Funds For the Year Ended December 31, 2021

	PUBLIC TRANSPORTATION	STREET RESURFACING	STREET IMPROVEMENT	TOTALS
REVENUES				
Taxes	$ 1,376,829	$ 826,098	$ -	$ 2,487,899
Charges for Services	-	-	-	24,978
Intergovernmental	-	-	-	310,803
Investment Income	1,691	629	750	5,021
Miscellaneous	52,730	-	-	55,121
TOTAL REVENUES	1,431,250	826,727	750	2,883,822
EXPENDITURES				
Current:				
General Government	957,603	-	-	957,603
Public Works	-	631,098	54,472	734,316
Public Safety	-	-	-	63,130
Culture and Recreation	-	-	-	81,912
Debt Service:				
Principal	67,081	-	-	67,081
Interest	1,099	-	-	1,099
Capital Outlay:	-	-	-	76,026
TOTAL EXPENDITURES	1,025,783	631,098	54,472	1,981,167
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	405,467	195,629	(53,722)	902,655
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	131,789	-	-	131,789
TOTAL OTHER FINANCING SOURCES (USES)	131,789	-	-	131,789
NET CHANGE IN FUND BALANCE	537,256	195,629	(53,722)	1,034,444
FUND BALANCE, BEGINNING OF YEAR	2,111,178	326,138	1,146,550	5,550,266
FUND BALANCE, END OF YEAR	$ 2,648,434	$ 521,767	$ 1,092,828	$ 6,584,710

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

City of Fountain, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Interest income	$ 1,150	$ 1,150	$ 342	$ (808)
Lottery proceeds	260,000	260,000	310,803	50,803
TOTAL REVENUES	261,150	261,150	311,145	49,995
EXPENDITURES				
Culture and recreation	266,100	517,190	157,938	359,252
TOTAL EXPENDITURES	266,100	517,190	157,938	359,252
NET CHANGE IN FUND BALANCE	$ (4,950)	$ (256,040)	$ 153,207	$ 409,247
FUND BALANCE, BEGINNING OF YEAR	(18,347)		398,392	
FUND BALANCE, END OF YEAR	$ (23,297)		$ 551,599	

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

City of Fountain, Colorado

Heritage Maintenance District Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Property taxes	$ -	$ 79,065	$ 77,458	$ (1,607)
Specific ownership taxes	-	6,500	9,234	2,734
Investment income	-	1,500	380	(1,120)
TOTAL REVENUES	-	87,065	87,072	7
EXPENDITURES				
Public works	69,000	69,000	48,746	20,254
TOTAL EXPENDITURES	69,000	69,000	48,746	20,254
NET CHANGE IN FUND BALANCE	$ (69,000)	$ 18,065	$ 38,326	$ 20,261
FUND BALANCE, BEGINNING OF YEAR	421,151		518,414	
FUND BALANCE, END OF YEAR	$ 352,151		$ 556,740	

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

City of Fountain, Colorado
General Improvement Districts Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Property taxes	$ 226,193	$ 226,193	$ 174,459	$ (51,734)
Specific ownership taxes	11,500	11,500	23,821	12,321
Investment income	1,250	1,250	1,126	(124)
TOTAL REVENUES	238,943	238,943	199,406	(39,537)
EXPENDITURES				
General government	-	-	-	-
TOTAL EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	$ 238,943	$ 238,943	$ 199,406	$ (39,537)
FUND BALANCE, BEGINNING OF YEAR	277,529		942,559	
FUND BALANCE, END OF YEAR	$ 516,472		$ 1,141,965	

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

City of Fountain, Colorado

Volunteer Fire Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Charges for services	$ 53,028	$ 53,028	$ 24,978	$ (28,050)
Investment income	600	600	103	(497)
Miscellaneous	5,000	5,000	2,391	(2,609)
TOTAL REVENUES	58,628	58,628	27,472	(31,156)
EXPENDITURES				
Public safety	55,400	85,900	63,130	22,770
TOTAL EXPENDITURES	55,400	85,900	63,130	22,770
NET CHANGE IN FUND BALANCE	$ 3,228	$ (27,272)	$ (35,658)	$ (8,386)
FUND BALANCE, BEGINNING OF YEAR	187,558		107,035	
FUND BALANCE, END OF YEAR	$ 190,786		$ 71,377	

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

City of Fountain, Colorado
Public Transportation Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Sales taxes	$ 985,600	$ 1,185,600	$ 1,376,829	191,229
Investment income	4,000	4,000	1,691	(2,309)
Miscellaneous	-	120,000	52,730	(67,270)
TOTAL REVENUES	989,600	1,309,600	1,431,250	(69,579)
EXPENDITURES				
Current				
General government	904,220	1,280,347	957,603	322,744
Debt Service				
Principal	37,700	64,712	67,081	(2,369)
Interest	-	-	1,099	(1,099)
TOTAL EXPENDITURES	941,920	1,345,059	1,025,783	319,276
OTHER FINANCING SOURCES (USES)				
Capital lease proceeds	-	164,151	131,789	(295,940)
TOTAL OTHER FINANCING SOURCES (USES)	-	164,151	131,789	(295,940)
NET CHANGE IN FUND BALANCE	$ 47,680	$ 128,692	$ 537,256	$ 249,697
FUND BALANCE, BEGINNING OF YEAR	1,102,593		2,111,178	
FUND BALANCE, END OF YEAR	$ 1,150,273		$ 2,648,434	

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

City of Fountain, Colorado
Street Resurfacing Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Sales taxes	$ 588,336	$ 743,336	$ 826,098	$ 82,762
Investment income	500	500	629	129
TOTAL REVENUES	588,836	743,836	826,727	82,891
EXPENDITURES				
Public works	331,250	696,250	631,098	65,152
TOTAL EXPENDITURES	331,250	696,250	631,098	65,152
NET CHANGE IN FUND BALANCE	$ 257,586	$ 47,586	$ 195,629	$ 148,043
FUND BALANCE, BEGINNING OF YEAR	366,296		326,138	
FUND BALANCE, END OF YEAR	$ 623,882		$ 521,767	

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

City of Fountain, Colorado
Street Improvements Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Investment income	$ -	$ 12,000	$ 750	$ (11,250)
TOTAL REVENUES	-	12,000	750	(11,250)
EXPENDITURES				
Public works	-	1,002,720	54,472	948,248
TOTAL EXPENDITURES	-	1,002,720	54,472	948,248
NET CHANGE IN FUND BALANCE	$ -	$ (990,720)	$ (53,722)	$ 936,998
FUND BALANCE, BEGINNING OF YEAR	(305,877)		1,146,550	
FUND BALANCE, END OF YEAR	$ (305,877)		$ 1,092,828	

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

City of Fountain, Colorado
Combining Statement of Net Position
Non-Major Proprietary Funds
December 31, 2021

ASSETS	Ambulance	Drainage	Total
Current Assets:			
Cash and investments	$ 185,575	$ 1,489,205	$ 1,674,780
Accounts receivable	337,382	808	338,190
Total Current Assets	522,957	1,490,013	2,012,970
Non-Current Assets:			
Capital assets, net of accumulated depreciation	434,915	-	434,915
TOTAL ASSETS	957,872	1,490,013	2,447,885
LIABILITIES			
Current Liabilities:			
Accounts payable	14,968	-	14,968
Accrued liabilities	44,042	-	44,042
Current portion of long-term debt			
Compensated absences payable	53,252		53,252
Agreement payable	14,115	-	14,115
Total Current Liabilities	126,377	-	126,377
Non-Current Liabilities:			
Compensated absences payable	7,278	-	7,278
Agreement payable	23,015		23,015
Total Non-Current Liabilities	30,293	-	30,293
TOTAL LIABILITIES	156,670	-	156,670
NET POSITION			
Net investment in capital assets	397,785	-	397,785
Unrestricted	403,417	1,490,013	1,893,430
TOTAL NET POSITION	$ 801,202	$ 1,490,013	$ 2,291,215

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

City of Fountain, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2021

	Ambulance	Drainage	Total
OPERATING REVENUES			
Charges for services	1,417,305	12,305	1,429,610
TOTAL OPERATING REVENUES	1,417,305	12,305	1,429,610
OPERATING EXPENSES			
Public Safety	-	-	-
Operations and maintenance	1,146,561	-	1,146,561
Depreciation	118,596	-	118,596
TOTAL OPERATING EXPENSES	1,265,157	-	1,265,157
OPERATING INCOME (LOSS)	152,148	12,305	164,453
NON-OPERATING REVENUES (EXPENSES)			
Investment income (expense)	(133)	981	848
TOTAL NON-OPERATING REVENUES (EXPENSES)	(133)	981	848
INCOME (LOSS) BEFORE TRANSFERS	152,015	13,286	165,301
Transfers in	-	-	-
Transfers out	(76,306)	-	(76,306)
CHANGE IN NET POSITION	75,709	13,286	88,995
NET POSITION, BEGINNING OF YEAR, AS RESTATED	725,493	1,476,727	2,202,220
NET POSITION, END OF YEAR	$ 801,202	$ 1,490,013	$ 2,291,215

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

City of Fountain, Colorado
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2021

	Ambulance	Drainage	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash received from customers	$ 1,468,624	$ 14,284	$ 1,482,908
Cash payment from other	-	-	-
Cash paid to employees	(941,024)	-	(941,024)
Cash paid for goods and services	(265,586)	-	(265,586)
NET CASH FROM OPERATING ACTIVITIES	262,014	14,284	276,298
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Transfers out	(76,306)	-	(76,306)
NET CASH FROM NON-CAPITAL FINANCING ACTIVITIES	(76,306)	-	(76,306)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received (paid)	(133)	981	848
NET CASH FROM INVESTING ACTIVITIES	(133)	981	848
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital expenditures	-	-	-
NET CASH FROM CAPITAL AND RELATED FINANCING A(	-	-	-
NET CHANGE IN CASH AND CASH EQUIVALENTS	185,575	15,265	200,840
CASH AND CASH EQUIVALENTS			
Beginning of Year	-	1,473,940	1,473,940
End of Year	$ 185,575	$ 1,489,205	$ 1,674,780
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES			
Operating income (loss)	$ 75,842	$ 12,305	$ 88,147
Depreciation	118,596	-	118,596
Change in accounts receivable, net	51,319	1,979	53,298
Change in accounts payable and accrued expenses	(80,366)	-	(80,366)
Change in compensated absences payable	20,317	-	20,317
NET CASH FROM OPERATING ACTIVITIES	$ 185,708	$ 14,284	$ 199,992

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

City of Fountain, Colorado
Water Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Charges for services	$ 10,830,300	$ 11,080,300	$ 12,299,627	$ 1,219,327
Miscellaneous	1,135,500	1,135,500	875,893	(259,607)
Investment income	5,000	5,000	3,518	(1,482)
System development fees	1,210,000	2,460,000	2,706,616	246,616
TOTAL REVENUES	13,180,800	14,680,800	15,885,654	1,204,854
EXPENDITURES				
Source of supply	2,257,100	2,250,650	1,859,787	390,863
Operations and maintenance	2,572,977	2,533,977	2,439,769	94,208
Customer accounts and collection	810,764	791,764	618,783	172,981
Administration and general	2,089,095	2,227,845	2,094,590	133,255
Capital outlay	2,254,200	3,668,050	1,425,440	2,242,610
Debt principal	-	10,250,000	10,945,000	(695,000)
Interest expense	2,300,000	2,300,000	2,124,348	175,652
TOTAL EXPENDITURES	12,284,136	24,022,286	21,507,717	2,514,569
OTHER FINANCING SOURCES AND (USES)				
Bond proceeds	-	10,250,000	9,545,000	(705,000)
Lease proceeds	-	-	2,859,048	2,859,048
Transfers in	-	-	12,650	12,650
Transfers out	(455,768)	(455,768)	(487,448)	(31,680)
TOTAL OTHER FINANCING SOURCES AND (USES)	(455,768)	9,794,232	11,929,250	2,135,018
CHANGE IN NET POSITION, BUDGETARY BASIS	$ 440,896	$ 452,746	$ 6,307,187	$ 5,854,441
ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS				
Capital outlay			1,425,440	
Depreciation expense			(2,777,556)	
Debt principal			10,945,000	
Bond proceeds			(9,545,000)	
Lease proceeds			(2,859,048)	
CHANGE IN NET POSITION - GAAP BASIS			$ 3,496,023	

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

City of Fountain, Colorado
Electric Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Charges for services	$ 27,402,259	$ 27,402,259	$ 27,039,503	$ (362,756)
Miscellaneous	639,250	639,250	2,043,308	1,404,058
Investment income	96,000	96,000	263	(95,737)
System development fees	35,000	35,000	362,500	327,500
TOTAL REVENUES	28,172,509	28,172,509	29,445,574	1,273,065
EXPENDITURES				
Source of supply	14,425,662	14,425,662	15,786,163	(1,360,501)
Operations and maintenance	5,874,843	6,984,383	4,423,356	2,561,027
Customer accounts and collection	1,996,999	2,013,899	1,565,598	448,301
Administration and general	3,812,761	4,028,248	3,633,758	394,490
Capital outlay	910,000	8,553,190	8,502,664	50,526
Debt principal	-	-	515,000	(515,000)
Interest expense	475,000	475,000	433,806	41,194
TOTAL EXPENDITURES	27,495,265	36,480,382	34,860,345	1,620,037
OTHER FINANCING SOURCES AND (USES)				
Transfers in	544,008	544,008	711,403	167,395
Transfers out	(823,206)	(823,206)	(842,727)	(19,521)
TOTAL OTHER FINANCING SOURCES AND (USES)	(279,198)	(279,198)	(131,324)	147,874
CHANGE IN NET POSITION, BUDGETARY BASIS	$ 398,046	$ (8,587,071)	$ (5,546,095)	$ 3,040,976
ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS				
Capital outlay			8,502,664	
Depreciation expense			(1,877,361)	
Debt principal			515,000	
CHANGE IN NET POSITION - GAAP BASIS			$ 1,594,208	

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

City of Fountain, Colorado
Ambulance Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Charges for services	$ 926,500	$ 926,500	$ 1,417,305	$ 490,805
Investment income (expense)	-	-	(133)	(133)
Miscellaneous	-	-	-	-
TOTAL REVENUES	926,500	926,500	1,417,172	490,672
EXPENDITURES				
Public safety	76,306	76,306	-	76,306
Operations and maintenance	1,022,276	1,329,376	1,146,561	182,815
TOTAL EXPENDITURES	1,098,582	1,405,682	1,146,561	259,121
OTHER FINANCING SOURCES AND USES				
Transfers in	300,000	300,000	-	(300,000)
Transfers out	-	-	(76,306)	(76,306)
TOTAL OTHER FINANCING SOURCES AND USES	300,000	300,000	(76,306)	(376,306)
CHANGE IN NET POSITION, BUDGETARY BASIS	$ 127,918	$ (179,182)	$ 194,305	$ (144,755)
ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS				
Depreciation expense			(118,596)	
CHANGE IN NET POSITION - GAAP BASIS			$ 75,709	

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

City of Fountain, Colorado
Drainage Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Charges for services	$ 27,450	$ 27,450	$ 12,305	$ (15,145)
Investment income	3,840	3,840	981	(2,859)
TOTAL REVENUES	31,290	31,290	13,286	(18,004)
EXPENDITURES				
Operations and maintenance	200,000	200,000	-	200,000
TOTAL EXPENDITURES	200,000	200,000	-	200,000
CHANGE IN NET POSITION, BUDGETARY BASIS	$ (168,710)	$ (168,710)	$ 13,286	$ 181,996
NET POSITION, BEGINNING OF YEAR			1,476,727	
NET POSITION, END OF YEAR			$ 1,490,013	

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

City of Fountain, Colorado

Internal Service Fund
Schedule of Revenues, Expenditures
And Changes in Fund Balance—Budget and Actual
For the Year Ended December 31, 2021

	BUDGETED AMOUNTS			VARIANCE WITH FINAL BUDGET POSITIVE
	ORIGINAL	FINAL	ACTUAL	(NEGATIVE)
REVENUES				
Charges for services	$ 4,254,000	$ 4,254,000	$ 4,198,849	$ (55,151)
Investment income	30,000	30,000	1,415	(28,585)
TOTAL REVENUES	4,284,000	4,284,000	4,200,264	(83,736)
EXPENDITURES				
Administration and general	120,201	120,201	85,383	34,818
Insurance premiums	1,081,500	1,081,500	1,099,098	(17,598)
Insurance claims	2,824,999	3,424,999	2,880,372	544,627
TOTAL EXPENDITURES	4,026,700	4,626,700	4,064,853	561,847
CHANGE IN NET POSITION, BUDGETARY BASIS	$ 257,300	$ (342,700)	$ 135,411	$ 478,111
FUND BALANCE, BEGINNING OF YEAR			2,657,912	
FUND BALANCE, END OF YEAR			$ 2,793,323	

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

City of Fountain, Colorado

Statistical Section

CITY OF FOUNTAIN, COLORADO

STATISTICAL SECTION

Contents **Page**

Financial Trends **76-80**

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

Revenue Capacity **81-89**

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

Debt Capacity **90-92**

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

Demographic and Economic Information **93-94**

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

Operating Information **95-96**

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

CITY OF FOUNTAIN, COLORADO

TABLE 1

NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)

(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018 (restated)	2019	2020 (restated)	2021
Governmental Activities										
Net Investment in Capital Assets	$ 76,210,836	$ 74,221,505	$ 71,700,844	$ 71,587,864	$ 69,520,813	$ 67,964,354	$ 69,746,246	$ 68,476,764	$ 70,174,636	$ 69,262,457
Restricted for Parks	150,841	200,199	265,398	230,569	304,912	254,830	294,537	437,786	398,392	551,599
Restricted for District Repairs and Maintenance	300,346	335,202	377,522	438,171	525,899	691,029	922,414	1,176,145	1,460,973	1,698,705
Restricted for Transportation	-	323,923	486,290	717,664	912,062	1,095,465	1,297,901	1,576,647	2,111,178	2,648,434
Restricted for Street Repairs and Maintenance	49,317	114,524	81,645	78,649	203,892	248,154	180,746	111,586	326,138	521,767
Restricted for Street Improvements	1,651,516	2,273,777	2,913,693	3,507,196	4,127,544	4,853,221	1,440,123	1,236,771	1,146,550	1,092,828
Restricted for Emergencies	393,000	378,000	414,000	553,000	624,000	764,000	717,000	675,461	738,210	979,978
Unrestricted	189,013	(88,331)	3,400,191	5,745,378	4,666,972	5,194,378	8,778,702	11,360,175	11,798,280	14,131,380
Total governmental activities net position	78,944,869	77,758,799	79,639,583	82,858,491	80,886,094	81,065,431	83,377,669	85,051,335	88,154,357	90,887,148
Business-type activities										
Net Investment in Capital Assets	65,483,598	70,249,254	73,772,083	76,235,438	82,159,345	84,882,092	89,901,060	77,345,853	95,897,690	102,444,934
Restricted for Debt Service	576,900	576,900	576,900	794,400	217,500	217,500	217,500	-	-	-
Restricted for Capital Projects	-	-	-	-	-	-	-	8,357,595	-	6,949,574
Unrestricted	13,418,176	12,434,106	11,829,636	13,047,583	10,329,549	11,245,862	9,075,989	14,971,120	6,345,147	(1,919,635)
Total business-type activities net position	79,478,674	83,260,260	86,178,619	90,077,421	92,706,394	96,345,454	99,194,549	100,674,568	102,242,837	107,474,873
Primary government										
Net Investment in Capital Assets	141,694,434	144,470,759	145,472,927	147,823,302	151,680,158	152,846,446	159,647,306	145,822,617	166,072,326	171,707,391
Restricted for Parks	150,841	200,199	265,398	230,569	304,912	254,830	294,537	437,786	398,392	551,599
Restricted for District Repairs and Maintenance	300,346	335,202	377,522	438,171	525,899	691,029	922,414	1,176,145	1,460,973	1,698,705
Restricted for Transportation	-	323,923	486,290	717,664	912,062	1,095,465	1,297,901	1,576,647	2,111,178	2,648,434
Restricted for Street Repairs and Maintenance	49,317	114,524	81,645	78,649	203,892	248,154	180,746	111,586	326,138	521,767
Restricted for Street Improvements	1,651,516	2,273,777	2,913,693	3,507,196	4,127,544	4,853,221	1,440,123	1,236,771	1,146,550	1,092,828
Restricted for Debt Service	576,900	576,900	576,900	794,400	217,500	217,500	217,500	-	-	-
Restricted for Capital Projects	-	-	-	-	-	-	-	8,357,595	-	6,949,574
Restricted for Emergencies	393,000	378,000	414,000	553,000	624,000	764,000	717,000	675,461	738,210	979,978
Unrestricted	13,607,189	12,345,775	15,229,827	18,792,961	14,996,521	16,440,240	17,854,591	26,331,295	27,850,663	12,211,745
Total primary government net position	$ 158,423,543	$ 161,019,059	$ 165,818,202	$ 172,935,912	$ 173,592,488	$ 177,410,885	$ 182,572,118	$ 185,725,903	$ 200,104,430	$ 198,362,021

Source: City of Fountain, Colorado, audited financial statements, 2012-2021

CITY OF FOUNTAIN, COLORADO

CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)

TABLE 2

(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018 (restated)	2019	2020 (restated)	2021
Expenses										
Governmental Activities										
General Government	$ 2,937,922	$ 3,088,640	$ 2,699,475	$ 2,130,308	$ 4,044,229	$ 4,693,192	$ 8,695,463	$ 5,761,656	$ 6,560,887	$ 8,191,331
Public Safety	7,966,886	8,166,704	8,485,869	9,028,509	10,270,018	11,537,346	10,994,529	11,423,879	12,447,436	13,690,036
Public Works	2,756,803	3,402,850	4,488,188	4,590,601	5,529,468	3,476,418	4,001,851	4,572,294	5,225,921	6,377,712
Health and Welfare	255,525	276,146	296,720	282,840	339,505	382,291	398,085	398,325	491,878	470,014
Culture and Recreation	772,212	778,062	798,755	1,143,271	1,114,420	1,272,541	1,070,721	1,324,469	1,254,244	1,247,497
Interest Expense	20,123	133,048	136,046	130,542	136,878	129,487	270,449	126,337	160,772	168,287
Total Governmental Activities Expenses	14,709,471	15,845,450	16,905,053	17,306,071	21,434,518	21,491,275	25,431,098	23,606,960	26,141,138	30,144,877
Business-type Activities										
Water Utility	6,486,441	7,220,673	6,912,357	7,556,775	7,828,769	8,070,689	8,935,851	9,334,892	10,860,952	11,914,833
Electric Utility	21,428,400	23,025,897	24,279,421	22,372,569	21,780,237	22,447,508	24,952,506	26,604,937	27,461,957	27,720,042
Ambulance	850,134	826,633	858,779	845,194	962,046	1,117,680	1,225,967	1,279,842	1,321,738	1,265,157
Drainage	129,444	179	-	678,202	34,783	810	-	-	-	-
Total Business-type Activities Expenses	28,894,419	31,073,382	32,050,557	31,452,740	30,605,835	31,636,687	35,114,324	37,219,671	39,644,647	40,900,032
Total Primary Government Expenses	$ 43,603,890	$ 46,918,832	$ 48,955,610	$ 48,758,811	$ 52,040,353	$ 53,127,962	$ 60,545,422	$ 60,826,631	$ 65,785,785	$ 71,044,909
Program Revenues										
Governmental Activities:										
Charges for Services:										
General Government	$ 190,390	$ 337,441	$ 292,864	$ 272,233	$ 250,000	$ 213,334	$ 311,399	$ 179,718	$ 284,467	$ 399,684
Public Safety	510,392	439,352	382,940	487,191	682,158	676,895	965,888	1,020,470	1,109,012	1,251,890
Public Works	16,461	12,437	37,455	127,292	74,205	155,208	85,428	22,945	66,826	41,703
Health and Welfare	20,112	38,000	14,777	21,773	12,000	6,965	12,676	9,320	16,100	11,000
Culture and Recreation	154,698	133,831	238,348	168,346	109,090	83,464	45,225	76,634	169,197	43,754
Operating Grants and Contributions	1,373,031	1,104,640	1,593,090	1,472,444	1,375,632	1,291,305	1,407,023	1,529,176	3,407,082	1,959,272
Capital Grants and Contributions	449,604	-	-	2,318,192	-	-	-	-	-	1,896,239
Total Governmental Activities Program Revenues	2,714,688	2,065,701	2,559,474	4,867,471	2,503,085	2,427,171	2,827,639	2,838,263	5,052,684	5,603,542
Business-type Activities										
Charges for Services:										
Water Utility	6,988,153	6,596,466	7,499,994	8,641,160	8,538,462	8,427,151	9,555,175	9,630,665	10,752,779	12,299,627
Electric Utility	22,469,395	23,757,241	24,304,148	23,673,596	22,148,619	22,951,368	24,910,405	24,355,307	25,011,877	27,039,503
Ambulance	681,356	603,636	678,983	725,652	675,385	875,963	846,008	755,039	1,002,155	1,417,305
Drainage	123,885	79,928	35,309	93,739	16,822	22,352	154,637	149,685	39,289	12,305
Capital & Operating Grants and Contributions	2,874,944	3,751,283	2,436,029	1,887,206	1,429,735	2,637,238	1,925,612	1,192,615	1,207,406	3,069,116
Total Business-type Activities Program Revenues	33,137,733	34,788,554	34,954,463	35,021,353	32,809,023	34,914,072	37,391,837	36,083,311	38,013,506	43,837,856
Total Primary Government Revenues	$ 35,852,421	$ 36,854,255	$ 37,513,937	$ 39,888,824	$ 35,312,108	$ 37,341,243	$ 40,219,476	$ 38,921,574	$ 43,066,190	$ 49,441,398
Net (Expense)/Revenue										
Governmental Activities	$ (11,994,783)	$ (13,779,749)	$ (14,345,579)	$ (12,438,600)	$ (18,931,433)	$ (19,064,104)	$ (22,603,459)	$ (20,768,697)	$ (21,088,454)	$ (24,541,335)
Business-type Activities	4,243,314	3,715,172	2,903,906	3,568,613	2,203,188	3,277,385	2,277,513	(1,136,360)	(1,631,141)	2,937,824
Total Primary Government Net Revenue (Expense)	$ (7,751,469)	$ (10,064,577)	$ (11,441,673)	$ (8,869,987)	$ (16,728,245)	$ (15,786,719)	$ (20,325,946)	$ (21,905,057)	$ (22,719,595)	$ (21,603,511)

Source: City of Fountain, Colorado, audited financial statements, 20012-2021

TABLE 2
(continued)

	2012	2013	2014	2015	2016	2017	2018 (restated)	2019	2020 (restated)	2021
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes	$ 1,662,856	$ 1,691,850	$ 1,715,894	$ 1,816,545	$ 2,031,189	$ 2,152,814	$ 2,304,048	$ 2,316,627	$ 2,695,802	$ 2,629,066
Sales and Use Taxes	8,528,383	8,678,945	9,340,449	10,542,516	12,686,263	14,686,272	17,314,141	16,940,313	18,512,330	20,630,184
Specific Ownership Taxes	159,616	171,785	187,619	210,581	241,426	298,083	297,889	295,021	296,766	322,839
Franchise Taxes	1,780,553	1,861,009	1,993,771	1,996,793	1,932,297	1,975,688	2,095,707	2,134,383	2,165,326	2,344,669
Investment Income	29,244	(22,321)	55,200	44,801	33,620	77,724	141,379	254,083	85,184	7,203
Intergovernmental revenues	-	-	2,500,000	200,000	-	-	-	-	-	-
Other Revenues	71,914	134,994	285,505	137,918	331,378	288,308	2,590,872	922,533	968,485	657,737
Insurance Proceeds	290,000	-	-	-	-	-	-	-	-	-
Transfers	146,298	77,417	147,925	(154,987)	(297,137)	(235,448)	(416,275)	(420,597)	(532,417)	682,428
Total Governmental Activities	12,668,864	12,593,679	16,226,363	14,794,167	16,959,036	19,243,441	24,327,761	22,442,363	24,191,476	27,274,126
Business-type Activities:										
Other Revenues	-	-	-	-	-	-	-	1,809,584	2,466,751	2,972,011
Investment Earnings	238,857	143,831	162,378	175,202	128,648	126,227	155,207	386,298	200,242	4,629
Transfers	(146,298)	(77,417)	(147,925)	154,987	297,137	235,448	416,275	420,597	532,417	(682,428)
Total Business-type Activities	92,559	66,414	14,453	330,189	425,785	361,675	571,482	2,616,479	3,199,410	2,294,212
Total Primary Government	$ 12,761,423	$ 12,660,093	$ 16,240,816	$ 15,124,356	$ 17,384,821	$ 19,605,116	$ 24,899,243	$ 25,058,842	$ 27,390,886	$ 29,568,338
Change in Net Position										
Government Activities	$ 674,081	$ (1,186,070)	$ 1,880,784	$ 2,355,567	$ (1,972,397)	$ 179,337	$ 1,724,302	$ 1,673,666	$ 3,103,022	$ 2,732,791
Business-type Activities	4,335,873	3,781,586	2,918,359	3,898,802	2,628,973	3,639,060	3,021,995	1,480,119	1,568,269	5,232,036
Total Primary Government	$ 5,009,954	$ 2,595,516	$ 4,799,143	$ 6,254,369	$ 656,576	$ 3,818,397	$ 4,746,297	$ 3,153,785	$ 4,671,291	$ 7,964,827

Source: City of Fountain, Colorado, audited financial statements, 2012-2021

Note: The City of Fountain, Colorado adopted GASB Statement 65 for the year ended December 31, 2013. Amounts for 2012 have been restated.
The City of Fountain, Colorado adopted GASB Statement 68 for the year ended December 31, 2015. Amounts for 2014 have not been restated.
The City of Fountain, Colorado adopted GASB Statement 75 for the year ended December 31, 2018. Amounts for 2017 have not been restated.

CITY OF FOUNTAIN, COLORADO

FUND BALANCES-GOVERNMENTAL FUNDS **TABLE 3**
LAST TEN FISCAL YEARS
(Unaudited)

(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable Note Receivable	$ 100,000	$ 25,663	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Restricted for Emergencies	393,000	378,000	414,000	553,000	624,000	764,000	717,000	675,461	738,210	979,978
Restricted for Fire Sta./Police Sta. Renovation	2,499,423	121,934	-	-	-	-	-	-	-	-
Committed to Park Improvements	311,804	283,566	512,486	662,405	742,637	848,069	925,294	966,532	1,102,533	450,607
Committed to School Zone	50,725	58,066	72,859	88,804	65,516	74,896	79,053	89,544	105,549	129,573
Committed to Traffic Signal	208,000	208,000	208,000	208,000	208,000	208,000	208,000	208,000	-	-
Assigned to Public Safety Capital Improvements	110,169	443,783	259,430	382,505	621,558	1,001,762	1,384,980	1,859,654	1,224,114	1,123,641
Unrestricted, Unassigned	577,192	589,591	3,683,805	4,671,273	2,969,618	4,146,335	5,343,256	5,149,521	7,392,527	9,279,726
Total general fund	$ 4,250,313	$ 2,108,603	$ 5,150,580	$ 6,565,987	$ 5,231,329	$ 7,043,062	$ 8,657,584	$ 8,948,712	$ 10,562,933	$ 11,963,525
All Other Governmental Funds										
Restricted for Parks	$ 150,841	$ 200,199	$ 265,398	$ 230,569	$ 304,912	$ 254,830	$ 294,537	$ 437,786	$ 398,392	$ 551,599
Restricted for District Repairs & Maintenance	300,346	335,202	377,522	438,171	525,899	691,029	922,414	1,176,145	1,460,973	1,698,705
Restricted for Transportation	-	323,923	486,290	717,664	912,062	1,095,465	1,297,901	1,576,647	2,111,178	2,648,434
Restricted for Street Repairs & Maintenance	49,317	114,524	81,645	78,649	203,892	248,154	180,746	111,586	326,138	521,767
Restricted for Street Improvements	1,651,516	2,273,777	2,913,693	3,507,196	4,127,544	4,853,221	1,440,123	1,236,771	1,146,550	1,092,828
Committed to Volunteer Fire Activities		104,881	129,951	155,036	142,081	153,684	155,602	113,126	107,035	71,377
Assigned to Volunteer Fire Activities	92,126	-	-	-	-	-	-	-	-	-
Unrestricted, Unassigned	(95,642)	-	-	-	-	-	-	-	-	-
Total all other governmental funds	$ 2,148,504	$ 3,352,506	$ 4,254,499	$ 5,127,285	$ 6,216,390	$ 7,296,383	$ 4,291,323	$ 4,652,061	$ 5,550,266	$ 6,584,710
Total all governmental funds	$ 6,398,817	$ 5,461,109	$ 9,405,079	$ 11,693,272	$ 11,447,719	$ 14,339,445	$ 12,948,907	$ 13,600,773	$ 16,113,199	$ 18,548,235

Source: City of Fountain Colorado, audited financial statements, 2012-2021

CITY OF FOUNTAIN, COLORADO

CHANGES IN FUND BALANCES **TABLE 4**
GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)

(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues:										
Taxes	$ 12,131,408	$ 12,403,589	$ 13,237,733	$ 14,566,435	$ 16,891,175	$ 19,119,576	$ 22,011,785	$ 21,686,344	$ 23,670,224	$ 25,926,758
Licenses and Permits	87,815	128,163	114,018	110,887	106,779	94,105	164,955	136,114	146,457	168,978
Intergovernmental	1,481,485	1,368,640	4,093,090	1,672,444	1,375,632	1,284,586	1,407,023	1,529,176	3,407,082	1,135,466
Charges for Services	330,165	489,192	544,141	621,266	613,660	739,670	860,555	686,886	1,206,930	443,587
Fines and Forfeitures	469,968	343,706	308,225	344,682	407,014	302,091	395,106	441,367	292,220	1,959,272
Investment Income	29,244	(19,782)	47,729	39,835	29,412	65,843	141,379	254,083	85,184	7,203
Other Revenues	153,169	134,994	285,505	137,918	331,378	288,308	2,590,872	1,474,894	1,091,824	167,621
Total Revenues	14,683,254	14,848,502	18,630,441	17,493,467	19,755,050	21,894,179	27,571,675	26,208,864	29,899,921	29,808,885
Expenditures:										
General Government	3,211,865	2,716,674	3,034,927	2,485,007	4,447,557	4,880,968	4,915,105	5,580,304	6,591,610	7,634,979
Public Safety	9,173,376	10,262,612	8,637,059	8,650,779	10,084,025	11,431,458	12,023,231	11,275,406	11,952,809	12,726,284
Public Works	2,066,730	1,677,957	2,077,441	2,110,811	3,396,987	3,494,141	8,853,992	1,395,910	1,920,343	2,869,391
Health and Welfare	253,336	275,818	296,392	282,512	339,177	381,963	398,085	419,435	485,555	500,072
Culture and Recreation	921,696	899,644	858,192	1,167,182	1,187,270	1,525,382	1,160,204	1,180,020	1,092,444	1,071,583
Debt Service										
Principal	222,333	372,445	403,639	423,454	422,737	571,267	1,061,060	724,861	843,111	886,386
Interest	20,123	133,048	136,046	130,542	136,878	129,487	99,815	310,081	152,496	152,496
Capital Outlay	-	-	-	-	-	-	-	4,250,384	3,990,853	3,103,904
Total Expenditures	15,869,459	16,338,198	15,443,696	15,250,287	20,014,631	22,414,666	28,511,492	25,136,401	27,029,221	28,945,095
Excess of Revenues over (under) Expenditures	(1,186,205)	(1,489,696)	3,186,745	2,243,180	(259,581)	(520,487)	(939,817)	1,072,463	2,870,700	863,790
Other Financing Sources (Uses)										
Debt Issued	3,297,185	474,571	609,300	-	311,165	3,647,661	-	-	174,143	481,298
Sale of Capital Assets	-	-	-	-	-	-	-	-	-	142,190
Insurance Proceeds	290,000	-	-	-	-	-	-	-	-	265,330
Transfers In	646,299	675,270	675,270	200,000	-	-	-	-	-	1,221,418
Transfers Out	(500,001)	(597,853)	(527,345)	(154,987)	(297,137)	(235,448)	(450,721)	(420,597)	(532,417)	(538,990)
Total Other Financing Sources (Uses)	3,733,483	551,988	757,225	45,013	14,028	3,412,213	(450,721)	(420,597)	(358,274)	1,571,246
Net Change in Fund Balances	$ 2,547,278	$ (937,708)	$ 3,943,970	$ 2,288,193	$ (245,553)	$ 2,891,726	$ (1,390,538)	$ 651,866	$ 2,512,426	$ 2,435,036
Debt Service as a percentage of noncapital Expenditures	1.5%	3.1%	3.5%	3.6%	2.8%	3.1%	4.1%	5.0%	4.3%	4.0%

Source: City of Fountain, Colorado, audited financial statements, 2012-2021

CITY OF FOUNTAIN, COLORADO

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(Unaudited)

TABLE 5

Year	Vacant Land	Residential Property	Commercial Property	Industrial Property	Agricultural Property	Natural Resources	Exempt	State Assessed	Total Assessed Value	Direct Tax Rate	Estimated Actual Value	Assessed Value as a Percentage of Actual Value
2012	8,633,870	97,558,460	43,705,300	7,158,160	285,860	817,870	14,405,950	3,663,740	176,229,210	10.239	1,505,322,647	11.71%
2013	8,269,790	99,606,600	45,769,110	8,238,250	231,130	778,540	16,800,190	3,830,590	183,524,200	10.239	1,549,862,261	11.84%
2014	8,050,330	105,533,830	47,079,980	7,464,150	231,300	724,310	17,202,920	4,785,520	191,072,340	10.239	1,629,983,349	11.72%
2015	8,086,610	115,369,090	52,517,480	6,953,150	240,700	617,700	19,456,510	9,647,830	212,889,070	10.239	1,795,063,326	11.86%
2016	8,020,780	117,748,510	56,831,240	6,772,650	235,230	596,610	19,454,530	4,560,710	214,220,260	10.239	1,821,386,400	11.76%
2017	8,109,610	121,463,590	64,122,210	7,841,530	235,250	475,200	20,013,310	4,501,710	226,762,410	10.239	1,923,033,314	11.79%
2018	7,555,730	125,051,630	65,041,150	7,796,200	234,590	359,390	20,439,420	4,737,690	231,215,800	10.239	1,972,699,676	11.72%
2019	9,422,850	153,363,100	64,975,720	8,261,870	216,370	131,810	21,543,660	4,633,470	262,548,850	10.239	2,534,632,807	10.36%
2020	8,675,550	156,611,190	63,757,090	6,592,970	226,700	5,680	21,811,430	5,132,700	262,813,310	10.239	2,569,923,717	10.23%
2021	10,411,740	187,482,070	74,537,390	6,940,430	276,690	560	25,838,290	5,104,350	310,591,520	10.239	3,061,158,274	10.15%

Source - State of Colorado Annual Report and El Paso County Assessor

Note: Property in El Paso County is revalued every odd numbered year. The assessment rate is 29 percent of actual value for all properties except residential and producing natural resource properties. The residential assessment rate is established by the State legislature every odd-numbered year in order to maintain the tax burden balance between residential properties and other properties. The residential assessment rate is 7.96 percent for the 2012-2017 assessment years and 7.15% for the assessment years beginning in 2018 through the current year. Tax rates are per $1,000 of assessed value.

CITY OF FOUNTAIN, COLORADO

DIRECT AND OVERLAPPING **TABLE 6**
PROPERTY TAX RATES - LAST TEN YEARS
(rate per $1,000 of assessed value)
(Unaudited)

Taxing Authority	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Direct										
City of Fountain (a)	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239
Total Direct Rate	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239	10.239
Overlapping Governments										
El Paso County	7.663	7.714	7.791	7.869	7.919	7.965	8.068	7.222	7.692	7.200
School Districts										
Widefield #3	49.307	48.025	47.004	47.527	45.657	61.320	60.294	56.396	56.164	49.384
Fountain/Fort Carson #8	24.703	24.726	24.775	25.195	24.748	24.731	24.776	24.845	24.741	25.704
Sanitation Districts										
Fountain Sanitation	5.534	5.755	6.101	0.604	6.248	6.328	6.637	6.030	6.340	5.707
Water Districts										
S.E. Water Conservancy	0.944	0.940	0.940	0.941	0.940	0.939	0.944	0.902	0.942	0.839
Special Districts										
Fountain GID #1	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000	12.000
Fountain GID #2	-	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000	10.000
Heritage Improv. Maint.	4.940	4.940	4.940	4.940	4.940	4.940	4.940	4.940	4.940	4.940
Metropolitan Districts										
Countryside South	30.000	30.000	30.000	30.000	30.000	33.166	33.166	33.477	33.555	33.555
Crescent Canyon	35.000	35.000	35.000	35.000	35.000	35.197	35.052	35.011	35.011	38.964
Cross Creek	10.727	10.727	10.727	10.727	10.727	11.859	11.859	11.898	11.898	11.898
Cumberland Green	50.000	50.000	50.000	50.000	50.000	50.000	50.000	47.000	47.000	47.000
Mesa Ridge #2	37.000	37.000	43.000	50.000	50.000	55.278	55.167	65.441	65.513	65.513
Remuda Ridge	-	-	-	-	-	50.000	50.000	10.000	10.000	55.664
Ventana	-	40.000	40.000	40.000	40.000	51.332	51.332	51.691	51.691	51.691
Miscellaneous Districts										
Pikes Peak Library	4.000	4.000	4.000	3.857	3.857	3.812	4.000	3.731	3.855	3.490

Source - El Paso County Assessor's Office, Abstract of Assessment 2012-2021.

Notes: (a) Overlapping rates are those of county governments and various types of districts that apply to property owners in the City of Fountain

CITY OF FOUNTAIN, COLORADO

PRINCIPAL PROPERTY TAX PAYERS

Table 7

Current year and 2012
(Unaudited)

	2021			2012		
Taxpayer	**Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**	**Assessed Valuation**	**Rank**	**Percentage of Total Assessed Valuation**
WalMart Real Estate	$ 6,142,980	2	1.98%	$ 2,513,990	2	1.43%
Dillon Real Estate Co Inc	$ 6,765,240	1	2.18%	$ 4,598,640	1	2.61%
Lowes HIW, Inc	$ 2,402,310	4	0.77%	$ 2,159,820	4	1.23%
Mesa Ridge NO 1, LLP	$ 2,810,570	3	0.90%			
Sam's Real Est Business Trust	$ 1,795,530	7	0.58%			
Raceway 200 LLC	$ 1,869,530	5	0.60%	$ 1,885,010	5	1.07%
Pavestone, LLC	$ 1,829,550	6	0.59%			
GEP Investments Inc	$ 1,713,870	8	0.55%	$ 1,126,790	6	0.64%
Fountain Hospitality, LLC.	$ 1,621,360	9	0.52%			
Adesa Colorado Inc.	$ 1,565,980	10	0.50%	$ 940,260	10	0.53%
SCI Plant No. 22 LLC				$ 2,438,440	3	1.38%
GHC Merchandise Inc.				$ 1,088,340	7	0.62%
Safeway Stores 46 Inc.				$ 969,540	8	0.55%
RAG Properties				$ 962,200	9	0.55%
Total Assessed Valuation City of Fountain			$ 310,591,520			$ 176,229,210

Source: El Paso County Assessor's Office

CITY OF FOUNTAIN, COLORADO

GENERAL FUND REVENUES-TAXES BY CATEGORY **TABLE 8**
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Sales Tax	$ 5,633,146	$ 5,848,928	$ 6,260,780	$ 7,152,889	$ 8,937,330	$ 10,341,676	$ 10,822,136	$ 11,976,431	$ 14,954,300	$ 16,522,145
General Property Tax	1,594,662	1,624,450	1,647,136	1,733,965	1,915,374	1,956,656	2,066,694	2,083,613	2,415,776	2,377,149
Use Tax	1,487,007	1,367,789	1,514,474	1,601,405	1,514,601	1,759,190	3,786,475	1,969,828	1,564,124	1,905,112
Specific Ownership Tax	154,403	165,432	180,249	201,176	227,899	270,180	267,478	262,321	268,222	289,784
Franchise Taxes:										
Cablevision/ Telephone	193,753	218,759	233,678	275,348	318,949	318,177	304,307	272,476	263,276	259,121
Electricity (1)	1,094,835	1,156,498	1,190,744	1,165,277	1,064,519	1,093,440	1,173,240	1,236,747	1,267,148	1,374,152
Gas	148,293	162,078	190,269	183,666	150,570	152,373	163,345	162,423	113,241	174,831
Water (2)	343,672	323,674	379,080	372,503	398,259	411,698	454,815	462,737	521,661	536,565
Total	$ 10,649,771	$ 10,867,608	$ 11,596,410	$ 12,686,228	$ 14,527,501	$ 16,303,390	$ 19,038,489	$ 18,426,576	$ 21,367,748	$ 23,438,859

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Source: City of Fountain, Colorado, audited financial statements, 2012-2021

Notes: (1) The franchise fee for the City owned electric utility is 5% of gross revenues.
(2) The franchise fee for the City owned water utility is 5% of gross revenues.

CITY OF FOUNTAIN, COLORADO

SALES TAX BY CATEGORY **TABLE 9**
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Auto Repair and Parts Supply	$ 386,846	$ 397,747	$ 458,682	$ 457,840	$ 562,237	$ 514,709	$ 585,363	$ 611,649	$ 644,165	$ 1,307,089
Auto Sales	125,070	110,604	161,058	164,354	190,353	297,330	328,020	302,120	185,082	454,595
Communications/Utilities	606,479	608,767	692,136	675,480	642,511	776,721	769,871	996,712	611,075	858,177
Convenience Stores	174,003	163,293	216,237	207,209	252,111	240,119	253,806	295,324	330,855	332,533
Entertainment	43,887	42,875	45,421	49,025	50,127	47,042	27,207	25,684	12,903	19,873
Hotel/Motel/RV Parks	42,006	38,018	53,912	58,493	65,368	69,033	76,343	92,584	141,472	286,864
Liquor Stores	146,097	201,905	243,093	284,607	309,087	309,841	319,827	343,827	395,112	405,685
Restaurants	1,239,641	1,390,407	1,607,930	1,878,716	2,116,482	2,344,155	2,695,191	2,814,861	2,847,312	4,861,803
Retail	3,226,384	3,514,312	3,555,432	4,831,279	6,566,477	7,799,112	7,691,028	8,493,117	10,388,048	8,470,061
Services - Misc	961,918	838,416	777,470	333,213	415,101	527,897	780,994	994,387	1,392,182	1,727,370
Total	$ 6,952,331	$ 7,306,344	$ 7,811,371	$ 8,940,216	$ 11,169,854	$ 12,925,958	$ 13,527,648	$ 14,970,265	$ 16,948,206	$ 18,724,050
City Direct Sales Tax Rate	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.75%	3.40%	3.40%

Source: City of Fountain, Colorado audited financial statements, 2012-2021 and Sales Tax Subsidiary Records, 2012-2021

CITY OF FOUNTAIN, COLORADO

DIRECT AND OVERLAPPING SALES TAX RATES **TABLE 10**
DECEMBER 31, 2021
(Unaudited)

Fiscal Year		City of Fountain	El Paso County	State of Colorado	PPRTA
2012		3.75%	1.00%	2.9%	
2013		3.75%	1.23%	2.9%	
2014		3.75%	1.23%	2.9%	
2015		3.75%	1.23%	2.9%	
2016	All but South Academy Highlands	3.75%	1.23%	2.9%	
2016	South Academy Highlands	3.75%	1.23%	2.9%	1.0%
2017	All but South Academy Highlands	3.75%	1.23%	2.9%	
2017	South Academy Highlands	3.75%	1.23%	2.9%	1.0%
2018	All but South Academy Highlands	3.75%	1.23%	2.9%	
2018	South Academy Highlands	3.75%	1.23%	2.9%	1.0%
2019	All but South Academy Highlands	3.75%	1.23%	2.9%	
2019	South Academy Highlands	3.75%	1.23%	2.9%	1.0%
2020	All but South Academy Highlands	3.40%	1.23%	2.9%	
2020	South Academy Highlands	3.40%	1.23%	2.9%	1.0%
2021	All but South Academy Highlands	3.40%	1.23%	2.9%	
2021	South Academy Highlands	3.40%	1.23%	2.9%	1.0%

PPRTA-Pikes Peak Rural Transportation Authority can only charge a 1% tax to the South Academy Highland commercial establishments

Source: State of Colorado Department of Revenue

CITY OF FOUNTAIN, COLORADO

GENERAL FUND PROPERTY TAX LEVIES AND COLLECTIONS — TABLE 11
LAST TEN YEARS
(Unaudited)

		Current Collections			Total Collections to Date	
Year Assessed	Gross Tax Levy	Amount	Percentage of Levy	Collections in Subsequent Years (1)	Total Net Taxes Collected	Total Tax Percentage of Levy
2012	1,640,950	1,608,133	98.00%	16,317	1,624,450	98.99%
2013	1,690,240	1,603,985	94.90%	43,042	1,647,027	97.44%
2014	1,763,057	1,705,044	96.71%	28,921	1,733,965	98.35%
2015	1,961,172	1,869,797	95.34%	45,577	1,915,374	97.66%
2016	1,976,808	1,936,603	97.97%	20,053	1,956,656	98.98%
2017	2,095,580	2,088,384	99.66%	3,539	2,091,923	99.83%
2018	2,136,860	2,130,415	99.70%	2,872	2,133,287	99.83%
2019	2,443,474	2,439,188	99.82%	25,258	2,415,776	98.87%
2020	2,445,359	2,442,949	99.90%	655	2,443,604	99.93%
2021	2,873,409	2,795,260	97.28%		N/A	

Source: El Paso County Treasurer's Office and the City of Fountain, Colorado audited financial statements, 2012-2021

Note: (1) Property taxes are collected in the calendar year following the year levied.

CITY OF FOUNTAIN, COLORADO

WATER REVENUES **TABLE 12**
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Water Revenues:										
Charges for Services:										
Metered Water Sales by Type of Customer:										
Residential	$ 4,856,803	$ 4,612,252	$ 5,269,638	$ 5,370,315	$ 5,869,792	$ 5,966,982	$ 6,975,508	$ 7,288,222	$ 8,387,168	$ 9,438,741
Commercial	1,862,917	1,705,902	1,973,358	1,894,487	2,002,129	2,206,966	2,325,169	2,342,443	2,365,611	2,860,886
Total Charges for Services	6,719,720	6,318,154	7,242,996	7,264,802	7,871,921	8,173,948	9,300,677	9,630,665	10,752,779	12,299,627
Miscellaneous	268,443	278,312	256,998	1,376,358	666,541	253,203	254,498	443,472	1,311,079	869,813
Total Operating Revenues	6,988,163	6,596,466	7,499,994	8,641,160	8,538,462	8,427,151	9,555,175	10,074,137	12,063,858	13,169,440
Investment Income	18,192	30,597	8,454	14,204	24,380	4,862	4,320	77,790	72,780	9,598
Total Water Revenues	$ 7,006,355	$ 6,627,063	$ 7,508,448	$ 8,655,364	$ 8,562,842	$ 8,432,013	$ 9,559,495	$ 10,151,927	$ 12,136,638	$ 13,179,038
Water Gallons Sold by Type of Customer										
Residential	694,655,326	580,491,828	581,525,339	542,361,514	579,887,854	555,059,383	575,508,997	552,120,210	636,913,840	593,779,300
Commercial	239,390,805	192,229,910	201,572,170	186,637,670	178,402,965	178,760,968	189,259,178	190,517,730	177,743,200	211,856,180
Total Water Gallons Sold by Type of Customer	934,046,131	772,721,738	783,097,509	728,999,184	758,290,819	733,820,351	764,768,175	742,637,940	814,657,040	805,635,480

Source: City of Fountain, Colorado, audited financial statements, 2012-2021 and Utility Billing Records, 2012-2021

CITY OF FOUNTAIN, COLORADO

ELECTRIC REVENUES **TABLE 13**
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Electric Revenues:										
Charges for Services:										
Metered Electric Sales by Type of Customer:										
Residential-inside city limits	$ 8,340,921	$ 9,064,892	$ 9,522,120	$ 9,124,562	$ 8,785,711	$ 8,592,953	$ 9,107,204	$ 10,430,671	$ 10,254,870	$ 11,190,436
Residential-outside city limits	6,488,210	6,740,561	6,836,575	6,475,483	6,102,628	5,728,635	6,304,987	6,542,323	6,753,207	7,813,159
Commercial-inside city limits	5,894,940	6,043,262	6,071,818	6,196,410	5,426,906	6,609,964	6,772,023	6,179,811	6,753,207	6,606,157
Commercial-outside city limits	1,259,752	1,394,599	1,263,326	1,272,037	1,073,402	1,101,661	1,167,590	1,202,502	1,250,594	1,429,751
Total Charges for Services	21,983,823	23,243,314	23,693,839	23,068,492	21,388,647	22,033,212	23,351,805	24,355,307	25,011,877	27,039,503
Miscellaneous	485,572	513,927	610,309	958,176	759,972	918,156	1,558,600	1,436,693	1,222,407	2,043,308
Total Operating Revenues	22,469,395	23,757,241	24,304,148	24,026,668	22,148,619	22,951,368	24,910,405	25,792,000	26,234,284	29,082,811
Investment Income	209,225	118,468	143,013	154,942	101,576	115,371	138,569	281,980	129,765	263
Total Electric Revenues	$ 22,678,620	$ 23,875,709	$ 24,447,161	$ 24,181,610	$ 22,250,195	$ 23,066,739	$ 25,048,974	$ 26,073,980	$ 26,364,049	$ 29,083,074
Electric kWh Sold by Type of Customer										
Residential-inside city limits	74,304,463	76,930,528	75,808,661	80,256,002	84,490,361	84,357,290	90,106,520	88,768,099	95,585,364	96,428,293
Residential-outside city limits	58,870,222	58,012,143	55,831,697	57,063,034	57,998,087	57,132,259	60,797,181	59,276,942	61,851,222	61,804,611
Commercial-inside city limits	60,105,657	61,833,071	62,074,818	63,289,307	63,723,036	64,932,845	66,671,035	64,086,355	62,420,690	65,556,271
Commercial-outside city limits	13,206,462	13,030,685	12,696,182	12,641,542	12,123,616	11,693,218	11,760,264	12,417,088	11,999,395	12,415,240
Total Electric kWh Sold by Type of Customer	206,486,804	209,806,427	206,411,358	213,249,885	218,335,100	218,115,612	229,335,000	224,548,484	231,856,671	236,204,415

Source: City of Fountain, Colorado, audited financial statements, 2012-2021 and Utility Billing Records, 2012-2021.

CITY OF FOUNTAIN, COLORADO

RATIOS OF OUTSTANDING DEBT BY TYPE **TABLE 14**
LAST TEN FISCAL YEARS
(Unaudited)

	Governmental Activities	Business-Type Activities																
Fiscal Year	Capital Leases	Capital Leases	2005 Loan Payable CWRPDA	2003 Water Rights Loan	2007 Water Rights Loan	2008 Water Rights Loan	2009 Loan Payable CWRPDA	2011 Loan Payable CWRPDA	2013 Loan Payable CWRPDA	2014 Loan Payable CWRPDA	2015 Bond Payable Fountain	2016 Bond Payable Fountain	2019 Bond Payable Fountain	2020 Revenue Refunding Bond	2021 Revenue Refunding Bond	Total Primary Government	Per Capita (a)	Percentage of Personal Income (b)
2012	3,638,753		7,035,000	290,800	156,200	1,281,793	8,185,000	9,350,000								29,937,546	1,131	2.72%
2013	3,740,879		6,850,000	218,100	117,150	1,225,743	8,015,000	9,175,000	12,162,361							41,504,233	1,544	3.72%
2014	3,946,540		200,000	145,400	78,100	1,165,641	7,835,000	8,995,000	11,918,594	18,222,508						52,506,783	1,926	4.40%
2015	3,523,086	77,595	-	72,700	39,050	-	7,650,000	8,810,000	11,669,827	18,113,302	4,024,695					53,980,255	1,896	4.47%
2016	3,411,514	105,268	-	-	-	-	-	8,620,000	11,416,061	17,659,096	3,942,705	7,773,376				52,928,020	1,847	4.15%
2017	6,487,908	1,056,272	-	-	-	-	-	8,425,000	11,157,295	17,189,889	3,855,715	7,501,683				55,673,762	1,895	4.21%
2018	5,738,316	843,534	-	-	-	-	-	8,225,000	10,888,529	16,705,682	3,768,725	7,224,989				53,394,775	1,792	3.86%
2019	4,829,711	593,157	-	-	-	-	-	8,015,000	10,614,763	16,211,475	3,676,735	6,948,295	21,128,758			72,017,894	2,421	7.24%
2020	4,376,934	649,235	-	-	-	-	-	-	10,330,998	15,697,269	3,584,745	6,666,601	20,719,591	8,340,000		70,365,373	2,289	6.73%
2021	4,253,557	3,240,729							-	15,163,065	3,487,755	6,379,906	20,210,424	8,025,000	9,545,000	70,305,436	2,359	6.71%

Note: Details regarding the City's outstanding debt including premium by issue can be found in Note 5 to the financial statements.

(a) Population data is from Table 18

(b) Personal income data is from Table 18

CITY OF FOUNTAIN, COLORADO

RATIOS OF WATER FUND DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

TABLE 15

WATER FUND

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Water Fund Debt Outstanding										
2003 Water Rights Loan	$ 290,800	$ 218,100	$ 145,400	$ 72,700	$ -	$ -	$ -	$ -	$ -	$ -
2005 Loan Payable CWRPDA	7,035,000	6,850,000	200,000	-	-	-	-	-	-	-
2007 Water Rights Loan	156,200	117,150	78,100	39,050	-	-	-	-	-	-
2008 Water Rights Loan	1,281,793	1,225,743	1,165,641	-	-	-	-	-	-	-
2009 Loan Payable CWRPDA	8,185,000	8,015,000	7,835,000	7,650,000	-	-	-	-	-	-
2011 Loan Payable CWRPDA	9,350,000	9,175,000	8,995,000	8,990,000	8,620,000	8,425,000	8,225,000	8,015,000	-	-
2013 Loan Payable CWRPDA		12,162,361	11,918,594	11,669,827	11,416,061	11,157,295	10,888,529	10,614,763	10,330,998	-
2014 Loan Payable CWRPDA			18,222,508	18,113,302	17,659,096	17,189,889	16,705,682	16,211,475	15,697,269	15,163,065
2015 City of Fountain Revenue Bond				4,024,695	3,942,705	3,855,715	3,768,725	3,676,735	3,584,745	3,487,755
2016 City of Fountain Revenue Bond					7,773,376	7,501,683	7,224,989	6,948,295	6,666,601	6,379,906
2016 Capital Lease					11,958	9,473	8,681	5,211	2,951	-
2017 Capital Lease						127,085	99,788	72,542	45,297	18,052
2019 City of Fountain Revenue Bond								8,451,503	8,287,836	8,084,170
2020 City of Fountain Revenue Refunding Bond									8,340,000	8,025,000
2021 City of Fountain Revenue Refunding Bond										9,545,000
Total Water Fund Debt Outstanding	$ 26,298,793	$ 37,763,354	$ 48,560,243	$ 50,559,574	$ 49,423,196	$ 48,266,140	$ 46,921,394	$ 53,995,525	$ 52,955,697	$ 50,702,948
Number of Active Water Service Connections	7,695	7,695	7,844	7,988	8,050	8,200	8,344	8,458	8,599	8,700
Water Fund Debt per Active Water Service Connection	$ 3,418	$ 4,908	$ 6,191	$ 6,329	$ 6,140	$ 5,886	$ 5,623	$ 6,384	$ 6,158	$ 5,828

Note: Details regarding the City's outstanding debt including premium by issue can be found in Note 5 to the financial statements.

Source: City of Fountain, Colorado, audited financial statements, 2012-2021 and Utility Billing Records, 2012-2021

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CITY OF FOUNTAIN, COLORADO

DIRECT AND OVERLAPPING DEBT — TABLE 16
DECEMBER 31, 2021
(Unaudited)

Government Entity	Debt Outstanding (d)	Estimated Percentage Applicable (b)	Estimated Share of Overlapping (a) Debt
Fountain/Fort Carson School District #8	$ 11,100,969	100.00%	$ 11,100,969
El Paso County	89,252,880	2.77%	$ 2,472,640
Widefield School District #3	72,639,393	10.64%	$ 7,730,802
Cumberland Green Metro District (c)	5,625,000	100.00%	$ 5,625,000
Total Overlapping Debt	178,618,242		26,929,411
City of Fountain Direct Debt	4,253,557	100.0%	4,253,557
Total Direct and Overlapping Debt	$ 182,871,799		$ 31,182,968

Notes:

(a) 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 of Fountain. This process recognizes that, when considering the City of Fountain'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.

(b) For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

(c) Debt for Cumberland Green Metro District is general obligation debt.

(d) Source: Individual entity year-end financial statements and footnotes to those statements.

CITY OF FOUNTAIN, COLORADO

LARGEST EMPLOYERS — TABLE 17
LAST YEAR
(Unaudited)

Employer	2021 Employees	2021 Percentage of Total County Employment (a)
Fort Carson	35,592	10.13%
Widefield School District #3	1,282	0.36%
Fountain/Fort Carson School District #8	1,096	0.31%
Walmart	832	0.24%
Dillon/GHC	535	0.15%
City of Fountain (b)	293	0.08%
Total	39,630	11.27%

Source: Fort Carson and school district websites, Wal-Mart, & Dillon. Total El Paso County employment information used to calculate the percentage of total county employment from the Fred Economic Data report
Note: Largest employers from nine years ago are not available.

(a) 2021 El Paso County employment was 351,500 according to "FRED Economic Data"
(b) Includes part time staff

CITY OF FOUNTAIN, COLORADO

DEMOGRAPHIC AND ECONOMIC STATISTICS — TABLE 18
LAST TEN YEARS
(Unaudited)

Year	Fountain Population (a)	Personal Income El Paso County (thousands of dollars) (b)	Personal Income Fountain (thousands of dollars) (c)	Per Capita Personal Income (b)	Unemployment Rate (d)
2012	26,885	26,374,299	1,099,408	40,611	8.8
2013	27,265	26,374,299	1,114,948	40,541	7.8
2014	28,470	26,940,874	1,194,174	41,945	6.0
2015	28,650	27,210,283	1,207,733	42,155	4.6
2016	29,375	29,262,206	1,274,434	43,385	3.5
2017	29,804	30,565,961	1,323,566	44,409	3.4
2018	29,747	32,522,267	1,383,563	46,511	3.9
2019	30,735	47,066,809	994,216	32,348	3.3
2020	31,017	49,548,598	1,046,141	33,728	7.3
2021	29,802	41,315,534	1,048,345	35,177	6.8

Source: Department of Local Affairs-Demography Section, U.S. Department of Labor-Bureau of Labor Statistics and Bureau of Economic Analysis-an agency of the U.S. Department of Commerce.

(a) 2012 to 2014 is from the US Census Bureau. 2014-2016 population estimate is from US Census Bureau. 2017-2021 per City Planning Department.

(b) The data reported for Personal Income and Per Capita Personal Income is for El Paso County and has been updated per State of Colorado Labor and Employment Data Section and the St. Louis Fed (FRED) report).

(c) Personal Income for Fountain is calculated by multiplying Fountain population by Per Capita Personal Income.

(d) Unemployment rate is for Colorado Springs Metro Area not seasonally adjusted per the Bureau of Labor Statistics and State of Colorado, Division of Employment and Training for 2012-2017. For 2018-2021, unemployment rate is for El Paso County.

CITY OF FOUNTAIN, COLORADO

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM LAST TEN FISCAL YEARS **TABLE 19**

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government										
City Clerk	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.00	3.50
Municipal Court	2.00	2.00	2.00	1.00	1.75	2.00	2.00	2.00	2.00	2.00
City Administration	5.00	4.00	5.00	5.00	6.00	7.00	6.50	6.50	6.50	6.50
Finance	4.00	4.00	4.00	4.00	4.45	4.45	4.45	4.50	4.50	4.50
Human Resource	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Facilities	1.00	1.00	2.00	2.00	1.00	2.00	2.00	2.00	2.00	2.00
Planning & Zoning	3.25	2.85	3.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Engineering	2.50	2.50	2.00	2.00	4.00	4.00	4.00	4.00	4.00	4.00
Economic Development	1.00	1.00	1.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Information Technology	4.00	5.00	5.00	5.00	5.75	5.75	8.75	8.75	9.00	9.00
Public Safety										
Police										
Patrol	29.00	29.00	30.25	33.25	32.00	37.00	37.00	38.00	39.00	42.00
K-9 Patrol	0.25	0.50	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Administration	4.00	4.00	5.00	5.00	6.75	5.00	5.00	5.00	5.00	5.00
Support Services	18.00	18.00	16.00	16.00	5.00	5.75	5.75	5.75	5.75	5.75
Investigations	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
School Resource/DARE Program	3.00	3.00	3.00	3.65	7.05	7.75	9.00	9.00	9.50	9.50
Drug Task Force	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00
Fire										
Administration	2.00	2.00	2.00	2.00	3.00	3.00	3.00	3.00	3.00	3.00
Emergency Services	20.35	20.75	20.65	21.35	25.65	29.75	31.65	36.00	35.50	32.50
Prevention Services	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Ambulance										
Emergency Medical Services	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	8.00	11.00
Public Works										
Street & Drainage Maintenance	8.50	8.45	7.80	7.35	8.30	9.00	9.00	9.00	9.00	9.00
Bus Transportation										
Bus Drivers	6.00	4.50	4.50	4.50	4.75	5.00	5.00	5.00	5.00	5.00
Health and Welfare										
Code Enforcement	2.00	2.00	2.00	2.00	3.50	3.50	3.50	3.75	4.50	4.50
Cultural & Recreation										
Parks Maintenance	4.65	6.40	5.80	6.20	7.75	7.50	7.00	7.25	7.00	7.00
Recreation Programs				1.85	3.00	3.55	4.25	4.70	4.70	4.70
Water Utility										
Administration	2.50	2.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Water Resource	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Water Conservation	0.00	0.00	0.50	0.50	0.50	0.00	0.00	0.00	0.00	0.00
Water Operations	11.00	11.00	11.00	11.00	11.00	13.00	10.00	12.00	11.00	11.00
Electric Utility										
Administration	4.55	4.50	4.00	4.20	4.25	4.25	4.25	5.25	5.25	5.25
Engineering/Planning	5.00	5.00	5.00	3.45	4.00	2.00	2.00	2.00	2.00	2.00
Electric Distribution	19.20	19.20	19.15	19.90	19.90	19.50	20.50	20.50	20.50	20.50
Electric Conservation	0.00	0.00	0.50	0.50	0.50	0.00	0.00	0.00	0.00	0.00
Inventory Control	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Customer Service - Utilities										
Administration	3.00	3.00	3.00	3.00	3.00	4.00	4.00	4.00	4.00	4.00
Conservation Program	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00	1.00
Customer Service	10.00	10.00	10.00	8.00	6.00	6.00	6.00	6.00	6.00	6.00
Customer Billing	3.00	5.00	5.00	4.00	6.00	8.00	8.00	8.00	8.00	8.00
Field Service	2.00	2.00	2.00	3.00	2.00	4.00	5.00	5.00	5.00	5.00
Fleet Services										
Fleet Maintenance	5.00	5.00	5.00	5.00	7.00	7.00	7.00	7.50	7.50	7.50
Total	**207.75**	**210.15**	**211.65**	**216.20**	**226.35**	**241.25**	**246.10**	**255.95**	**256.70**	**260.20**

Source: City of Fountain Finance Department

CAPITAL AND OPERATING INDICATORS BY FUNCTION/PROGRAM **TABLE 20**
LAST TEN FISCAL YEARS
(Unaudited)

Function/Program	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Public Safety										
Fire Department										
Fire career staff	33	33	39	39	47	55	55	50	57	60
Volunteers	50	40	30	40	26	26	20	20	15	5
Fire Insurance Rating	5	5	3	3	3	3	3	3	3	3
Fire emergency responses	3,736	3,747	3,785	4,314	4,406	5,007	5,186	4,820	4,180	4,844
Fire hydrants	1,205	1,205	1,205	1,210	1,210	1,210	1,215	1,300	1,300	1,300
Number of fire stations	3	3	3	3	3	3	3	3	3	3
Number of fire trucks/implements	11	11	12	12	12	12	12	12	12	11
Police Department										
Number of police stations	1	1	1	1	1	1	1	1	1	1
Sworn officers	41	41	41	46	50	55	58	58	58	61
Reserve officers	3	3	3	3	3	2	1	1	0	0
Calls for service	41,353	40,873	42,862	40,672	46,529	42,110	39,856	47,305	38,638	47,086
Homicides	0	0	0	1	1	1	3	4	2	2
Sexual assaults	61	59	43	32	18	50	73	63	65	66
Robbery	16	9	15	9	20	9	14	18	14	16
Assault	89	77	53	158	100	126	30	70	56	69
Larceny-thefts	531	580	383	687	899	335	283	295	173	190
Traffic citations	3,397	3,333	3,264	3,265	3,894	2,945	3,866	4,802	2,724	4,530
Adult arrests	922	1,080	500	1,279	2,740	2,257	1,094	1,222	1,135	1,410
Juvenile arrests	112	251	195	249	406	377	221	156	88	79
Domestic violence cases	198	144	376	625	712	691	81	179	153	171
Military custodial arrests	38	40	26	441	274	23	0*	0*	0*	0*
Public Works										
Miles of paved street	99.0	100.6	100.6	102.7	102.7	104.4	104.4	105.6	105.6	106.3
Miles of gravel road	3.5	3.5	3.5	3.4	3.4	3.4	3.4	3.4	3.4	3.4
Traffic signals	2	2	2	2	2	3	4	5	6	7
Pedestrian cross walks	75	75	75	85	85	130	133	135	157	135
Cemetery										
City owned Cemeteries	1	1	1	1	1	1	1	1	1	1
Cultural & Recreation	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Developed parks	8	8	9	10	10	12	12	11	10	11
Open space acres	288.5	288.5	288.5	326.5	326.5	330	330	330	330	330
Miles of trails	6	6	6	10	10	10	10	10	10	10
Number of pavilions	6	6	6	6	6	13	13	13	14	13
Number of gazebos	2	2	2	2	2	2	2	2	2	2
Number of splash pads	1	1	1	1	1	1	1	1	1	1
Number of baseball/softball fields	6	6	6	5	5	5	5	5	5	5
Number of dog park areas	1	1	1	1	1	1	1	1	1	1
Number of concession stands	1	1	1	2	2	2	2	2	2	2
Water Utility										
Number of accounts	7,420	7,453	7,583	7,674	7,779	7,942	8,344	8,458	8,599	8,594
Average daily consumption (gallons)	2,546,523	2,117,046	2,145,473	1,997,258	2,070,185	1,086,355	2,098,586	1,990,803	2,262,934	2,207,220
Annual consumption (gallons)	929,481,186	772,721,738	783,097,509	728,999,184	755,617,619	735,663,943	765,984,075	726,643,140	814,659,620	805,635,480
Distribution system (miles) (a)	129	123	123	123	123	128	129	133	143	137
Number of wells	5	5	5	5	5	6	6	6	4	5
Potable Storage Tank Capacity (in gallons)	8,375,000	8,375,000	8,375,000	8,375,000	8,375,000	7,880,000	8,250,000	8,250,000	10,250,000	10,750,000
Electric Utility										
Number of accounts	16,008	16,585	16,920	17,028	17,144	17,364	17,370	18,814	17,868	18,098
Peak demand (megawatts)										
Summer-July	52	50	50	51	53	56	59	62	63	62
Winter-December	39	41	40	39	41	42	41	40	34	37
Average daily consumption (kwh)	565,717	574,812	565,510	584,246	598,184	597,577	619,031	602,206	635,294	651,793
Annual consumption	206,486,804	209,806,427	206,411,358	213,249,885	218,337,233	218,115,612	225,946,310	219,805,340	231,882,145	237,904,319
Distribution system (miles)	550	565	565	596	596	621	626	627	627	638
Number of substations	2	2	2	2	2	2	2	2	2	3
Miles of transmission lines	2	2	2	2	2	2	3	2	2	5
Number of street lights (b)	2,920	2,930	2,930	2,997	2,664	2,911	2,826	2,855	2,855	3,076

Source: City of Fountain Fire, Police, Public Works, Parks, Water and Electric departments.

***Military Custodial Arrests not tracked after 2017**

City of Fountain, Colorado

Compliance Section

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

LOCAL HIGHWAY FINANCE REPORT	City or County:
	YEAR ENDING : December 2021
This Information From The Records Of (example - City of _ or County of _)	Prepared By: Phone:

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	3,894,492
3. Other local imposts (from page 2)	327,837
4. Miscellaneous local receipts (from page 2)	372,148
5. Transfers from toll facilities	
6. Proceeds of sale of bonds and notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a. + b. + c.)	0
7. Total (1 through 6)	4,594,477
B. Private Contributions	
C. Receipts from State government (from page 2)	851,752
D. Receipts from Federal Government (from page 2)	0
E. Total receipts (A.7 + B + C + D)	5,446,230

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	225,734
2. Maintenance:	815,627
3. Road and street services:	
a. Traffic control operations	16,432
b. Snow and ice removal	30,300
c. Other	
d. Total (a. through c.)	46,732
4. General administration & miscellaneous	462,541
5. Highway law enforcement and safety	3,895,596
6. Total (1 through 5)	5,446,229
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	0
3. Total (1.c + 2.c)	0
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total disbursements (A.6 + B.3 + C + D)	5,446,229

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)				0
1. Bonds (Refunding Portion)				
B. Notes (Total)				0

V. LOCAL ROAD AND STREET FUND BALANCE

A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	5,446,230	5,446,229		0

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	
b. Other local imposts:		b. Traffic Fines & Penalities	341,024
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	327,837	g. Other Misc. Receipts	31,125
6. Total (1. through 5.)	327,837	h. Other	
c. Total (a. + b.)	327,837	i. Total (a. through h.)	372,148
	(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	760,591	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	91,162	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.)	91,162	g. Total (a. through f.)	0
4. Total (1. + 2. + 3.f)	851,752	3. Total (1. + 2.g)	
			(Carry forward to page 1)

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs			0
b. Engineering Costs		30,212	30,212
c. Construction:			
(1). New Facilities			0
(2). Capacity Improvements			0
(3). System Preservation		195,522	195,522
(4). System Enhancement & Operation			0
(5). Total Construction (1) + (2) + (3) + (4)	0	195,522	195,522
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	0	225,734	225,734
			(Carry forward to page 1)

Notes and Comments:

FORM FHWA-536 (Rev.1-05) PREVIOUS EDITIONS OBSOLETE