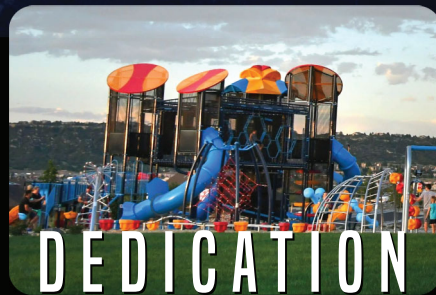




# 2022 ANNUAL COMPREHENSIVE FINANCIAL REPORT

## FOR THE YEAR ENDED DEC. 31, 2022



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# **2022 Annual Comprehensive Financial Report**

**For the Year Ended December 31, 2022**

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**Prepared by the Finance Department**



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## **INTRODUCTORY SECTION**

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**Certificate of Achievement for Excellence in Financial Reporting**



September 5, 2023

To the Honorable Mayor, Members of Town Council, and Citizens of the Town of Castle Rock, Colorado:

Colorado state law and the Town of Castle Rock (the Town) Home Rule Charter require an annual audit of the Town's financial statements. The goal of an audit is to provide reasonable assurance that the financial statements of the Town are presented in conformity with generally accepted accounting principles. The audit must be performed by an independent firm of licensed certified public accountants. In accordance with this requirement, we submit for your information and review, the Annual Comprehensive Financial Report of the Town for the year ended December 31, 2022.

Management of the Town is responsible for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, the Town has established a comprehensive internal control framework that is designed to protect the Town's assets from loss, theft, or misuse and to provide sufficient reliable information for the preparation of the financial statements. Because the cost of internal controls should not exceed the benefits, the internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

FORVIS, LLP has issued unmodified opinions on the Town's financial statements. An "unmodified" opinion means that the financial statements meet the "in conformity with generally accepted accounting principles" requirement. The auditor's report is located at the front of the financial section of this report. The independent auditor is also required to complete the federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The results of the single audit are available in the Town's separately issued single audit report.

Management provides a narrative introduction, overview and analysis of the basic financial statements. Management's Discussion and Analysis (MD&A) provides an overview of the financial statements and is intended to complement this letter of transmittal. The MD&A can be found in the Financial Section of this Annual Comprehensive Financial Report immediately following the report of the independent auditors.

## **PROFILE OF THE TOWN**

Castle Rock is located in Douglas County along Interstate 25 approximately halfway between Denver and Colorado Springs. Castle Rock encompasses approximately 34.757 square miles and serves a population estimated at 82,383 residents. The Town's location, view of the mountains, mesas and the "small town feel" make Castle Rock a desirable location for residential development.

The Town was incorporated in 1881 and adopted its Home Rule Charter in 1987. The Town operates under the council-manager form of government. The policy-making and legislative authority are vested with the Town Council (the Council), which consists of seven members including the Mayor and Mayor Pro Tem. Each councilmember is elected to represent an election district, and new in 2018, the Mayor is elected to represent

the Town at large. Town Councilmembers will serve four-year terms. In addition to serving on Council, individual members also represent the Town on various local, county and regional boards.

The Council is responsible for passing ordinances, adopting the budget, appointing boards and commissions, hiring the Town Manager (Manager), Town Attorney and Municipal Judge. The Manager is responsible for carrying out the policies and ordinances approved by Council, appointing the heads of the departments and for overseeing the operations of the Town.

The Town provides a full range of services including: police and fire protection, courts, emergency medical services, municipal water, water resources, storm water, wastewater, construction and maintenance of streets, public transit, parks and open spaces, golf course, recreation center, cultural events, community support, planning, development, code enforcement and general governmental services.

## **LOCAL ECONOMY**

Sales taxes provide approximately 70% of the Town's General Fund revenues. Sales taxes are used to support ongoing services such as police, fire, parks, open space, municipal court, and general governmental services. The major sources of sales taxes within the Town include a retail outlet mall, the promenade shopping and dining center, home improvement stores and grocery stores. The Town is the county seat for Douglas County and the site of the Douglas County School District Office. These two governments along with the Town are among the top three employers within the Castle Rock area. Because of its close proximity to both Denver and Colorado Springs, many of the Castle Rock residents commute to these two cities to work.

Growth, primarily in the area of single-family residential homes, continues to have a major impact on the Town's economy. The Town issued permits for 1,029 new residential units (single family 677 and multi-family 352) and approved 665,829 square feet of nonresidential development in 2022. The Town assesses impact fees, which are collected when a building permit is issued. Impact fees are used to pay for growth-related improvements to parks and recreation, fire, police, transportation and general municipal facilities. These fees are used solely for growth related costs and cannot be used to provide new services or amenities. In addition to impact fees, the Town collects system development fees for the development of water resources, water, and wastewater infrastructure. Like impact fees, these fees are collected when a building permit is issued. These fees are used for the construction of utility infrastructure that is necessary as a result of growth.

## **LONG-TERM FINANCIAL PLANNING**

The annual budget serves as the foundation for the Town's planning and control. The legal level of budgetary control is at the fund level. All departments of the Town are required to submit budget requests for the following year to Finance by April. These requests are used as a starting point for developing a proposed budget. Finance and the Town Manager present the proposed budget to Council for their review on or before October 31<sup>st</sup>. The Town holds public hearings on the proposed budget and the Council adopts the original budget by December 15<sup>th</sup>.

The Town also prepares and adopts a five-year capital improvement program. Each year, this five-year capital plan is reviewed and updated for projects that are intended to be either designed or constructed within the next five years.

## **RELEVANT FINANCIAL POLICIES**

In November, 1992, Colorado voters approved a State Constitutional Amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues) without a vote of the local citizens. In

November 2021, the voters approved a 10-year “TABOR timeout,” which allows the Town to use excess revenues from 2021 through 2030 solely for police, fire protection, emergency medical services, roads and other transportation purposes. TABOR further requires emergency reserves of at least 3% of fiscal year spending (excluding bonded debt service). Town’s management has implemented policies and procedures to ensure compliance with the provisions of TABOR.

## **MAJOR INITIATIVES**

The Town continued to experience growth during 2022. Total revenue collected for all Town Funds combined exceeded budgeted projections and no individual fund exceeded budgeted appropriations for the year. Sales tax revenue increased approximately 12 percent from 2021.

The Town of Castle Rock was recognized by Safewise as one of the safest cities in Colorado. The Castle Rock Police Department expanded their School Resource Officer and therapy dog program. They also added four Patrol Officers and a Navigator Officer to assist with needs for unhoused persons as well as implemented the Strategic Response Center. The Castle Rock Fire Department adopted the Community Wildfire Protection Plan along with ongoing public education and mitigation work. Four firefighters/paramedics graduated from the fire academy and fully joined the CRFD. Additionally, CRFD successfully achieved international reaccreditation for the third time from the Center for Public Safety Excellence (CPSFE).

Castle Rock Water (CRW) completed Glovers Phase 2 water main and Woodlands Phase 2 manhole rehabilitation projects. They also completed stream stabilization in McMurdo Gulch and Omni Tributary. The ColoradoScape landscape ordinance was passed on October 18<sup>th</sup>. The ordinance prohibits grass lawns in front yards of new homes permitted for construction after Jan. 1, 2023, requiring low-water ColoradoScapes. Additionally, the backyards of new homes will be limited to no more than 500 square feet of irrigated grass lawns.

Transportation completed \$17.1M roadway projects with the annual Pavement Maintenance Program. The Streets Division has instituted a new promotional tiered structure with the intent of improving personnel retention and recruitment by providing a structure and outlined career progression path based upon job related qualifications, experience and proven capabilities. Additionally, they added a new street sweeper and two snow plows.

Castle Rock Parks and Recreation opened Metzler Family Open Space for public access. Fire mitigation tactics were implemented through the deployment of goats, which helped eliminated undesirable vegetation, reduce land fuels for fire and control the spread of noxious weeds, as well as helped to aerate and fertilize the soil. Construction of Cobblestone Ranch Park was completed in northeast Castle Rock offering 12 acres of new amenities to the community.

The Town continued to support economic development in 2022 by pursuing agreements that will create future jobs, expand the tax base and maintain a high-quality business environment.

## **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Town of Castle Rock the Certificate of Achievement for Excellence in Financial Reporting for its 2021 Annual Comprehensive Financial Report. The Certificate of Achievement is a prestigious national award that is the highest form of recognition in the area of governmental accounting and financial reporting. The attainment of this award represents a significant accomplishment by the Town. In order to receive this award, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. This is the thirty-second consecutive year that the Town has received this award.

The Town was also an honored recipient of an award from the GFOA for its fifth submission of the 2021 PAFR (Popular Annual Financial Report). This report is specifically designed to be readily accessible and easily understandable to the general public without a background in public finance.

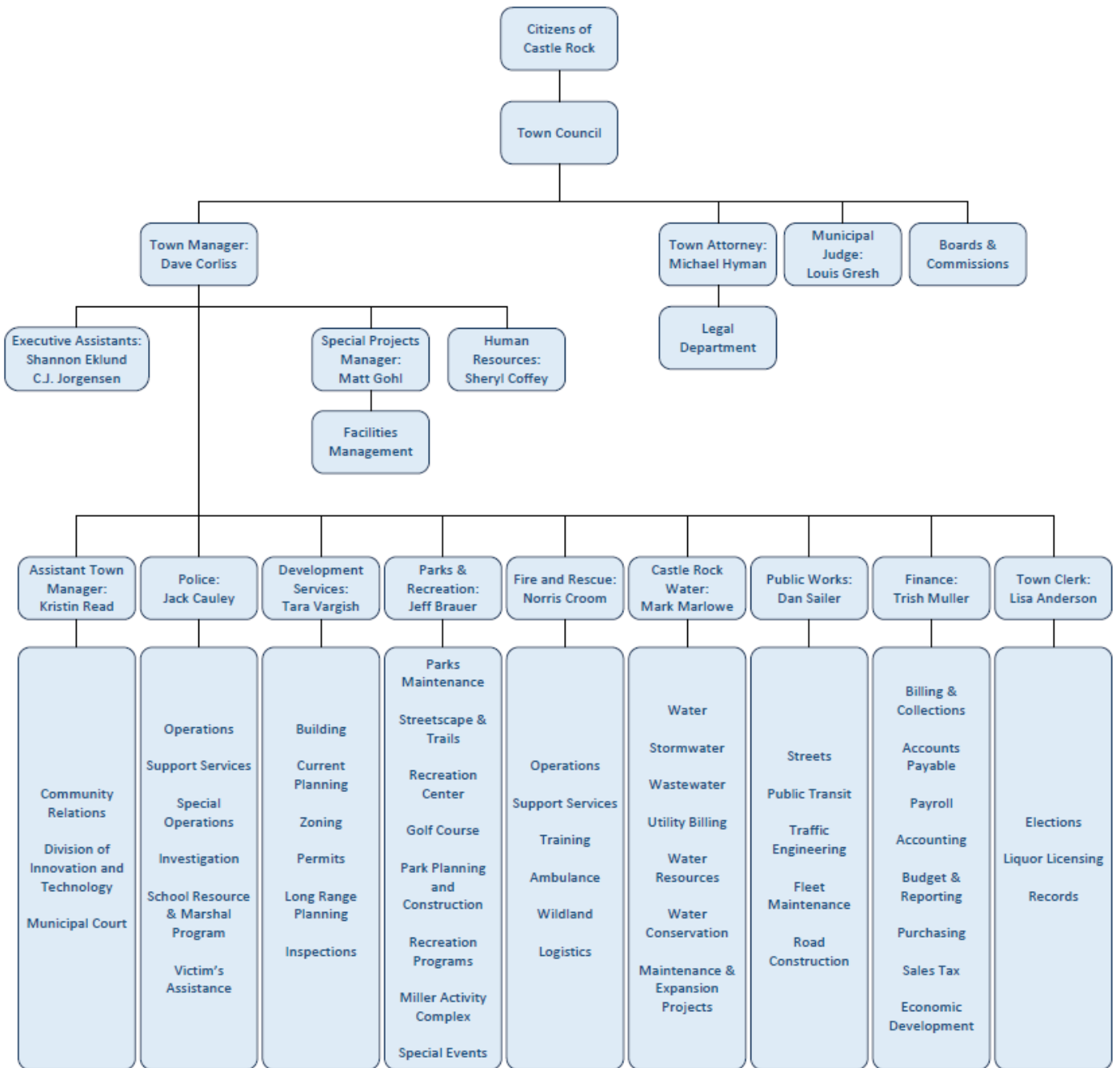
We would like to thank the Town Council for their support throughout the year. We would also like to thank the Finance Staff for their dedicated efforts in the preparation of this report.

Sincerely,

David L. Corliss  
Town Manager

Trish Muller, CPA  
Finance Director

**Organization Chart**  
**Town of Castle Rock, Colorado**  
**December 31, 2022**



**Town of Castle Rock, Colorado  
Directory of Town Officials  
As of December 31, 2022**

**Town Council**

Mayor	Jason Gray
Council Member - District 1	Ryan Hollingshead
Council Member - District 2	Laura Cavey
Council Member - District 3 (Mayor Pro Tem)	Kevin Bracken
Council Member - District 4	Desiree LaFleur
Council Member - District 5	Max Brooks
Council Member - District 6	Tim Dietz

**Appointed Officials**

Town Manager	David L. Corliss
Town Attorney	Michael J. Hyman
Municipal Judge	Louis Gresh

**Executive Leadership**

Director of Development Services	Tara Vargish
Director of Finance	Trish Muller
Fire Chief	Norris Croom
Director of Parks and Recreation	Jeff Brauer
Police Chief	Jack Cauley
Director of Public Works	Dan Sailer
Director of Castle Rock Water	Mark Marlowe
Town Clerk	Lisa Anderson
Assistant Town Manager	Kristin Read
Special Projects Manager	Matt Gohl



Government Finance Officers Association

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**Town of Castle Rock  
Colorado**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2021

*Christopher P. Morill*

Executive Director/CEO



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## **FINANCIAL SECTION**

**Independent Auditor's Report**

**Management's Discussion and Analysis**

**Basic Financial Statements**

**Required Supplementary Information**

**Combining and Individual Fund Statements and Schedules**



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## Independent Auditor's Report

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

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Castle Rock, Colorado (the Town), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2022, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Plum Creek Water Reclamation Authority, a joint venture of the Town, which represent 31% of the assets and net position of the Wastewater Enterprise Fund and 5% of the assets and net position of the Town's business-type activities as of December 31, 2022. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Plum Creek Water Reclamation Authority, are based solely on the report of the other auditors. We also did not audit the financial statements of the Castle Rock Downtown Development Authority or the Miller's Landing Business Improvement District, which together represent the aggregate discretely presented component units of the Town. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Castle Rock Downtown Development Authority and the Miller's Landing Business Improvement District, is based solely on the reports of the other auditors.

#### *Basis for Opinions*

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

Town, and the financial statements of the Castle Rock Downtown Development Authority and Miller's Landing Business Improvement District, component units included in the financial statements of the aggregate discretely presented component units, were not audited in accordance with *Government Auditing Standards*.

### ***Emphasis of Matter***

As described in Note 1S to the financial statements, in 2022, the Town adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

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

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

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

### ***Required Supplementary Information***

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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund statements and schedules and the Local Highway Finance Report are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund statements and schedules and the Local Highway Finance Report are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Information***

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

Honorable Mayor and Members of Town Council  
Town of Castle Rock, Colorado  
Page 4

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 29, 2023, on our consideration of Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

**FORVIS,LLP**

Denver, Colorado  
August 29, 2023



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## **Basic Financial Statements**

**Town-wide Financial Statements**

**Fund Financial Statements**

**Notes to the Basic Financial Statements**

## Management's Discussion and Analysis

As management of the Town of Castle Rock (Town), Colorado, we offer the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with additional information contained in the Notes to the Basic Financial Statements and our Letter of Transmittal, which can be found in the Introductory Section of the Town's Annual Comprehensive Financial Report.

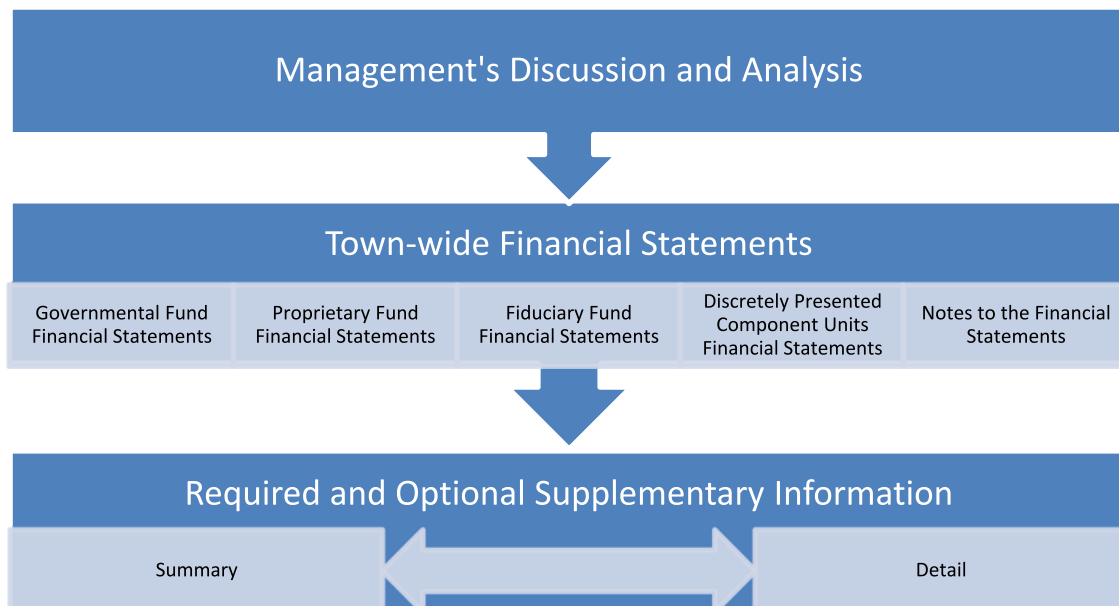
### Financial Highlights

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at December 31, 2022 by \$1.4 billion (*net position*). Of this amount, \$271.5 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total Net Position increased by \$124.2 million or 9 percent.
- As of December 31, 2022, the Town's governmental funds reported combined ending fund balances of \$149.0 million, an increase of \$20.8 million from 2021.
- The Town's long-term liabilities totaled \$134.8 million at the end of 2022. The \$21.4 million or 19 percent increase from 2021 was primarily due to the issuance of Water and Sewer Enterprise Revenue Bonds.
- On December 31, 2022, the unassigned fund balance for the General Fund was \$19.5 million, which consisted of three-months cash reserves of \$14.6 million to cover cash flow requirements and unappropriated funds of \$4.9 million.

### Overview of Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements.

The basic financial statements are comprised of three components: 1) Town-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Basic Financial Statements. This report also contains Other Supplementary Information in addition to the basic financial statements and information about the Castle Rock Downtown Development Authority and the Miller's Landing Business Improvement District, the two discretely presented component units of the Town.



## Town-wide Financial Statements

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

The *Statement of Net Position* reports *net position* as the difference between Town-wide assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.



The *Statement of Activities* presents information showing how the Town's net position changed during the year. Changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in a future period (e.g., uncollected taxes and earned but unused vacation leave).

The Town-wide financial statements distinguish functions of the Town that are primarily supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Governmental activities of the Town include: general government, public safety (police and fire), public works (streets and transportation), culture and recreation (parks, open space and recreation), the Castle Rock Urban Renewal Authority, and the Festival Commons General Improvement District. The business-type activities of the Town include: water, water resources, stormwater, wastewater, golf course, community (recreation) center and development services.

The Town-wide financial statements include not only the Town itself (known as the *primary government*), but also legally separate entities for which the Town is financially accountable. Financial information for these component units are reported separately from the financial information presented for the primary government itself. The Castle Rock Urban Renewal Authority and the Festival Commons General Improvement District, although also legally separate, function for all practical purposes as departments of the Town, and therefore, have been included as integral parts of the primary government.

## Fund Financial Statements

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

### Governmental Funds

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

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

The Town maintains nineteen individual governmental funds. Information on the Town's major governmental funds; the General Fund, including the Economic Development, Parking, and TABOR Excess Funds, the Transportation Fund and the Transportation Capital Fund are presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances. Data from the other thirteen governmental funds are aggregated into a single "Other Governmental Funds" column. Individual fund data for each of these non-major governmental funds is provided in the Combining and Individual Statements under the Supplemental Information tab.

The Town adopts an annual budget for all governmental funds. A schedule of revenues, expenditures and changes in funds available budget and actual (non-GAAP budgetary basis) has been provided to demonstrate compliance with the budget.

### **Proprietary Funds**

The Town maintains two types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the Town-wide financial statements. The Town uses enterprise funds to account for its water, water resources, stormwater, wastewater, golf course, community center and development services funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's funds and departments. The Town uses internal service funds to account for its fleet of vehicles and to accumulate and pay employee benefits. The internal service funds are included within governmental activities in the Town-wide financial statements since these services predominantly benefit governmental rather than business-type functions.

Proprietary funds provide the same type of information as the Town-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the major enterprise funds: Water, Water Resources, Stormwater, and Wastewater. Data from the three non-major enterprise funds, Golf, Community Center, and Development Services, are aggregated into a single "Other Enterprise Funds" column. Individual fund data for each of these non-major enterprise funds is provided in the Combining and Individual Statements under the Supplemental Information tab. The internal services funds are aggregated into a single column on the proprietary fund financial statements. Individual fund data for internal service funds are provided in the form of Combining Statements under the Supplemental Information tab.

### **Fiduciary Funds**

These funds are used to account for resources held by the Town for the benefit of parties outside of the Town government. Fiduciary activities are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. As of December 31, 2022, the Town's fiduciary activities include the following: one Pension Trust Fund and four custodial funds including the Add-on PIF Fund, Special District Fund, Use Tax Fund and Authority Development Fee Fund.

## Required Supplementary Information and Supplemental Information

In addition to the basic financial statements and accompanying notes, this report also presents certain Required Supplementary Information concerning the Town's progress in funding its obligation to provide pension benefits for firefighters and sworn police officers. The General Fund and Transportation Fund budgets are presented as part of Required Supplementary Information.

The combining and individual fund statements and schedules include detailed information about the non-major governmental funds (non-major special revenue funds and non-major capital projects funds), the non-major enterprise funds, and the internal service funds and is presented as Supplementary Information.

## Town-wide Financial Analysis

The chart below shows a summary comparison of the Town's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for 2022 and 2021. Based on that comparison, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources (net position) by \$1.4 billion at the close of 2022. Net position may serve over time as a useful indicator of the Town's financial position.

NET POSITION DECEMBER 31, 2022 and 2021 (In thousands)						
	2022			2021		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
<b>ASSETS</b>						
Current and other assets	\$ 201,070	\$ 220,773	\$ 421,843	\$ 165,960	\$ 173,434	\$ 339,394
Capital assets	472,737	716,117	1,188,854	438,787	675,426	1,114,213
Total assets	<u>673,807</u>	<u>936,890</u>	<u>1,610,697</u>	<u>604,747</u>	<u>848,860</u>	<u>1,453,607</u>
<b>DEFERRED OUTFLOWS</b>						
Pension related amounts	6,663	-	6,663	4,707	-	4,707
Loss on refundings	726	357	1,083	786	487	1,273
Total deferred outflows	<u>7,389</u>	<u>357</u>	<u>7,746</u>	<u>5,493</u>	<u>487</u>	<u>5,980</u>
<b>LIABILITIES</b>						
Long-term liabilities	46,056	88,739	134,795	47,883	65,537	113,420
Other liabilities	23,002	7,200	30,202	21,275	5,380	26,655
Total liabilities	<u>69,058</u>	<u>95,939</u>	<u>164,997</u>	<u>69,158</u>	<u>70,917</u>	<u>140,075</u>
<b>DEFERRED INFLOWS</b>						
Pension related amounts	10,008	-	10,008	2,909	-	2,909
IREA capital credit	1,154	-	1,154	1,204	-	1,204
Property tax	1,748	-	1,748	1,483	-	1,483
Leases	820	1,649	2,469	-	-	-
Total deferred inflows	<u>13,730</u>	<u>1,649</u>	<u>15,379</u>	<u>5,596</u>	<u>-</u>	<u>5,596</u>
<b>Net Position</b>						
Net investment in capital assets	427,363	654,546	1,081,909	395,258	610,488	1,005,746
Restricted	84,646	-	84,646	69,257	-	69,257
Unrestricted	86,399	185,113	271,512	70,971	167,942	238,913
Total net position	<u>\$ 598,408</u>	<u>\$ 839,659</u>	<u>\$ 1,438,067</u>	<u>\$ 535,486</u>	<u>\$ 778,430</u>	<u>\$ 1,313,916</u>



The largest portion of the net position, \$1.1 billion (76 percent), is reflected in the Town's investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure) less any related outstanding debt used to acquire those assets. The Town uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves are not liquidated to pay these liabilities.

An additional portion of the Town's net position, \$84.6 million (6 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, \$271.5 million (19 percent), consists primarily of accumulated system development fees that will be used to fund infrastructure needs caused by growth, accumulated rates and fees that will be used to fund the long term water plan, and Town and management designated reserves for Business-Type Activities (operating, capital, revenue stabilization, and catastrophic failure).

At the end of 2022, the Town reported positive balances in all three categories of net position, both for the Town as a whole as well as for its separate governmental and business-type activities.

The Town's net position increased \$124.2 million during 2022. There was a \$62.9 million increase in the net position for governmental activities. Total net position of the business-type activities increased \$61.2 million. This increase was largely the result of system development fees of \$38.7 million due to continued growth in the community and contributed infrastructure from developers of \$27.1 million in the utilities enterprise funds.

*The iconic Castle Rock Star is lighted on top of the rock every year around Thanksgiving and remains lit through the end of the Stock Show in Denver. This tradition has been in place since 1936.*

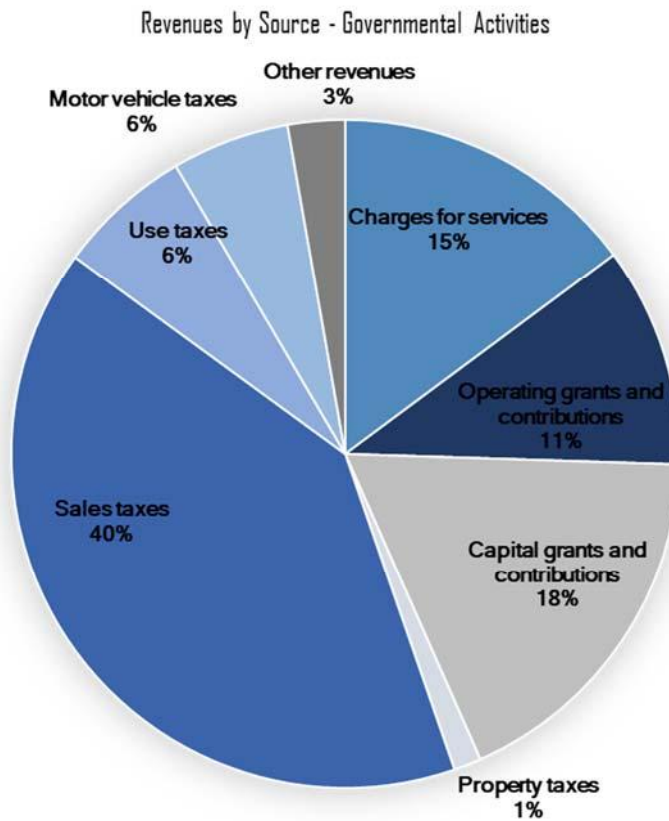


2022 AND 2021 CHANGES IN NET POSITION						
(in thousands)						
	2022			2021		
	Governmental activities	Business-type activities	Total	Governmental activities	Business-type activities	Total
<b>REVENUES</b>						
Program revenues						
Charges for services	\$ 25,218	\$ 65,135	\$ 90,353	\$ 35,238	\$ 63,958	\$ 99,196
Operating grants and contributions	18,059	-	18,059	13,743	10,092	23,835
Capital grants and contributions	30,341	66,455	96,796	24,557	63,404	87,961
General revenues						
Property taxes	2,250	-	2,250	2,241	-	2,241
Sales taxes	68,414	3,696	72,110	60,836	3,257	64,093
Use taxes	11,080	428	11,508	10,527	538	11,065
Motor vehicle taxes	9,669	615	10,284	10,378	656	11,034
Other revenues	4,706	(261)	4,445	3,951	(161)	3,790
Total revenues	169,737	136,068	305,805	161,471	141,744	303,215
<b>EXPENSES</b>						
General government	19,403	-	19,403	17,709	-	17,709
Public safety	35,470	-	35,470	33,986	-	33,986
Public works	41,974	-	41,974	35,162	-	35,162
Culture and recreation	9,158	-	9,158	9,021	-	9,021
Interest on long-term debt	1,080	-	1,080	1,134	-	1,134
Water	-	20,850	20,850	-	19,026	19,026
Water Resources	-	15,840	15,840	-	12,869	12,869
Stormwater	-	6,128	6,128	-	5,333	5,333
Wastewater	-	11,475	11,475	-	6,228	6,228
Other non-major enterprises	-	20,276	20,276	-	18,072	18,072
Total expenses	107,085	74,569	181,654	97,012	61,528	158,540
Increase in net position before transfers	62,652	61,499	124,151	64,459	80,216	144,675
Transfers	270	(270)	-	35	(35)	-
Increase in net position	62,922	61,229	124,151	64,494	80,181	144,675
Net position - January 1	535,486	778,430	1,313,916	470,992	698,249	1,169,241
Net position - December 31	\$ 598,408	\$ 839,659	\$ 1,438,067	\$ 535,486	\$ 778,430	\$ 1,313,916

*Macaroni Kids awarded Philip S. Miller Park as the Best Place to go for Outdoor Fun in Douglas County in 2022. The park has won each consecutive year since 2018. The winners are promoted by Macaroni Kids in their weekly e-newsletters and website, which features local events and activities for moms, kids and families. With a wide variety of amenities, miles of paved and unpaved trails, an adventure playground, an amphitheater, Millhouse and the 200- step Challenge Hill, the park truly has something for everyone.*



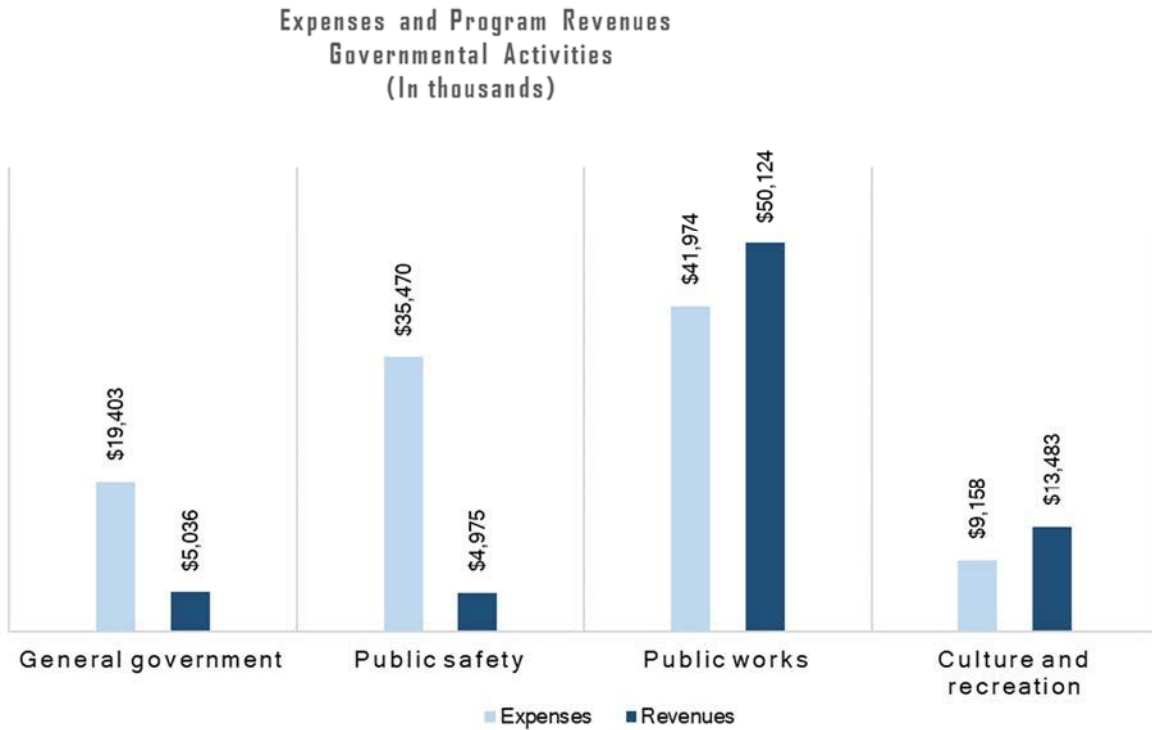
**Governmental activities.** The following chart shows the governmental activities revenues by source. Sales taxes provide 40 percent of the total revenues of the governmental activities. Program revenues including charges for services and grants and contributions provide 43 percent of revenues in the governmental activities. Only 1 percent of the revenues of the governmental activities are provided by property taxes.



Governmental activities increased the Town’s net position by \$62.9 million. Key elements of this change are as follows:

- Sales taxes increased by \$7.6 million or 12 percent in 2022 due to increasing consumer confidence and commercial growth within the Town
- Use taxes increased by \$553.8 thousand or 5 percent in 2022 due to community growth and increasing consumer confidence
- Public works operating grants and contributions increased \$5.5 million or 65 percent in 2022 primarily due to the recognition of American Rescue Plan Act (ARPA) grant funds.
- Public works capital grants and contributions increased \$10.4 million or 63 percent in 2022 due to increased street conveyances

The chart below shows the extent to which expenses of the various functions of governmental activities are covered by program revenues. Certain program revenues of public works are used for the construction of capital assets. These construction costs are not expensed in the year that the revenues are received but are instead capitalized and depreciated over the life of the assets.



Note: This chart does not include tax revenues, which are the primary source of funding for most governmental activities.

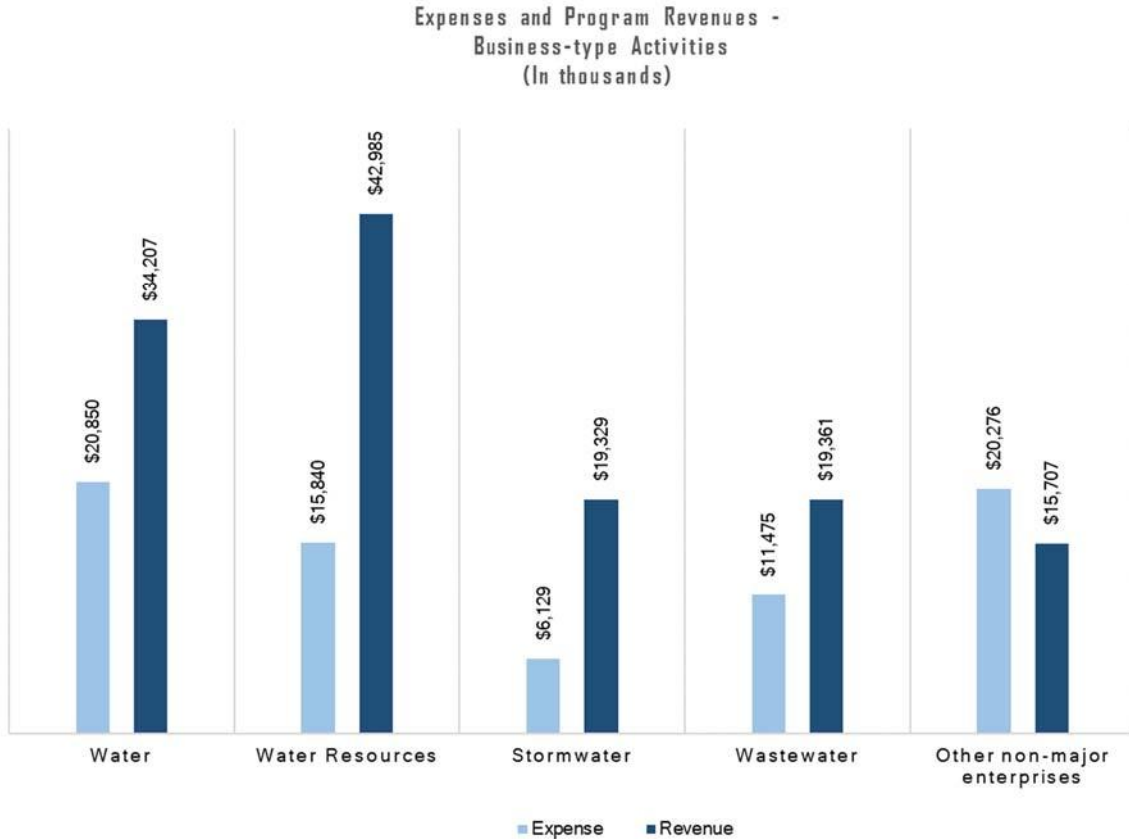


*The Town of Castle Rock’s Police Department expanded their School Resource Officer (SRO) and therapy dog program with the addition of SRO Luke Godfrey and Rocket at Mesa Middle School.*

**Business-type activities.** Business-type activities increased the Town’s net position by \$61.2 million, accounting for 49 percent of the total growth in the Town’s net position. Key elements of this increase are as follows:

The change in net position in business-type activities resulted primarily from Water, Water Resources, Stormwater and Wastewater Fund system development fees of \$38.7 million to be used for future capital projects and contributed infrastructure from developers of \$27.1 million.

The chart that follows reflects all revenues of the enterprise funds including impact fees and system development fees. These impact and development fees can only be used for growth related costs, which are primarily the construction of infrastructure assets.



**Financial Analysis of the Town’s Funds**

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

As of December 31, 2022, the governmental funds reported combined ending fund balances of \$149 million, which was an increase of \$20.8 million from 2021. Of the \$149 million, the unassigned balance is \$19.2 million or 13 percent, which is available to spend at the Town’s discretion. The unassigned balance includes \$14.6 million in three-month cash reserves to cover cash flow requirements for the General Fund. The remaining fund balance of \$129.8 million, consists of fund balance that otherwise has constraints. These constraints include: \$6.5 million in non-spendable funds due to the nature of prepaid and long-term receivables, \$74 million in restricted funds due to revenues restricted for a specific purpose of which portions are not yet designated for a specific project, \$38 million in committed funds for spending determined by the Town Council, and \$11.2 million in assigned funds for future planned intentions.

The General Fund is the chief operating fund of the Town, which includes three subsidiary funds; the Economic Development Fund, the Parking Fund, and the TABOR Excess Fund. At the end of 2022, fund balance of the General Fund was \$56.5 million, of which \$19.5 million was unassigned. As a measure of the General Fund's liquidity, unassigned fund balance represents 31 percent of the General Fund expenditures of \$63.6 million. The General Fund balance increased by \$9.5 million during 2022.

At the end of 2022, total fund balance of the Transportation Fund was \$20.1 million. Of this amount, \$90 thousand is non-spendable funds due to prepaids, \$2.8 million is restricted for a specific purpose of which portions are not yet designated for a specific project, and \$17.3 million is committed by Town Council for future projects. Fund balance for the Transportation Fund decreased \$2.4 million in 2022. Overall, the Transportation Fund revenues increased \$2.2 million or 7 percent in 2022, excluding impact fees that are collected in the Transportation Capital Fund. Of the \$2.2 million increase in revenues, \$786 thousand was attributable to increased sales, use and motor vehicle tax revenues and \$1.7 million was attributable to increased intergovernmental revenues, including tax shareback and grant revenues. The increase in sales, use and motor vehicle taxes, both direct and intergovernmental, is attributable to increasing consumer confidence and commercial growth.

The Transportation Capital Fund qualifies as a major fund for 2022 and had a total fund balance of \$40.6 million at the end of 2022, \$10.8 million greater than at the end of 2021 as a result of increased developer contribution and intergovernmental revenues and a transfer in from the Transportation Fund in the amount of \$3.4 million. Under the American Rescue Plan Act (ARPA), guidance provided for a standard allowance of up to \$10 million for the revenue loss category. The Town utilized this standard exemption and applied funding in the amount of \$4.6 million towards capital road projects during 2022. The entirety of the Transportation Capital Fund balance is identified as restricted for a certain purpose.

Non-major governmental funds, which rely heavily on growth revenues, saw ending fund balances of \$31.7 million in 2022, \$2.9 million greater than at the end of 2021.

**Proprietary funds.** Unrestricted net position of the combined enterprise funds at the end of 2022 were \$185.0 million. The unrestricted net position consists largely of development impact fees that will be used to fund infrastructure needs caused by growth, rates and fees that will be used to fund the long term water plan and Town and management designated reserves for Business-Type Activities (operating, capital, revenue stabilization, and catastrophic failure). There was no restricted net position at the end of 2022. Net position for enterprise funds increased in 2022 by \$60.8 million with \$13.0 million from Water, \$27.0 million from Water Resources, \$13.3 million from Stormwater, \$7.6 million from Wastewater. Net position in the other



non-major enterprise funds (Golf, Development Services, and Community Center) decreased \$100 thousand in 2022.

Charges for services coupled with capital grants, contributions and transfers exceeded expenses by \$56.4 million. In addition, leases, lease interest, investment earnings and sales taxes contributed another \$4.6 million resulting in the increase to net position of \$60.8 million.

	<b>CAPITAL ASSETS</b> <b>(net of depreciation)</b> <b>(In thousands)</b>					
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Land	\$ 78,347	\$ 75,694	\$ 22,919	\$ 22,614	\$ 101,266	\$ 98,308
Easements	5,524	4,403	18,119	15,144	23,643	19,547
Right of Ways	14,952	12,675	244	244	15,196	12,919
Artwork	294	294	-	-	294	294
Water Rights	-	-	120,370	117,903	120,370	117,903
Water Rights Definite Life	-	-	50,707	51,288	50,707	51,288
Buildings and improvements	58,759	60,691	55,464	57,171	114,223	117,862
Machinery and equipment	10,492	11,695	11,701	10,522	22,193	22,217
Infrastructure	241,964	229,497	343,402	322,296	585,366	551,793
Other structures and improvements	24,341	23,565	8,229	8,709	32,570	32,274
Construction in progress	38,064	20,274	84,962	69,534	123,026	89,808
<b>Total</b>	<b>\$ 472,737</b>	<b>\$ 438,788</b>	<b>\$ 716,117</b>	<b>\$ 675,425</b>	<b>\$ 1,188,854</b>	<b>\$ 1,114,213</b>

## Capital Asset and Debt Administration

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2022, amounts to \$1.2 billion (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings and improvements, machinery and equipment, infrastructure (roads, highways, bridges, water and sewer systems), and construction in progress.

### Major capital asset events during 2022 included:

- Began the process of acquiring the historic Cantril School located at 312 Cantril St.
- Continued progress toward a future Interstate 25 interchange at Crystal Valley Parkway
- Completed construction of Cobblestone Ranch Park in northeast Castle Rock offering 12 acres of new amenities to the community, including playground and picnic areas, a pump track for biking, half-court basketball, six pickleball courts, a four-season restroom, off-street parking and a green lawn area
- Completed stream stabilization in McMurdo Gulch and Omni Tributary
- Completed Glovers Phase 2 water main rehabilitation project and Woodlands Phase 2 manhole rehabilitation project



Additional information concerning the Town's capital assets can be found in the Notes to the Basic Financial Statements on page(s) 63-64.

## Long-term debt

OUTSTANDING DEBT						
	Governmental Activities		Business-type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenue bonds	\$ 24,487,770	\$ 25,868,270	\$ 78,084,384	\$ 53,974,346	\$ 102,572,154	\$ 79,842,616
Certificates of participation	15,760,204	16,227,093	-	-	15,760,204	16,227,093
Notes payable	-	-	8,600,000	9,500,000	8,600,000	9,500,000
Capital leases	-	-	-	110,777	-	110,777
<b>Total</b>	<b>\$ 40,247,974</b>	<b>\$ 42,095,363</b>	<b>\$ 86,684,384</b>	<b>\$ 63,585,123</b>	<b>\$ 126,932,358</b>	<b>\$ 105,680,486</b>
The Town has no general obligation bonds outstanding.						

At the end of 2022, the Town had total long-term debt outstanding of \$126.9 million. Of this amount, there were no general obligation bonds outstanding. There were revenue bonds of \$102.6 million and \$15.8 million in certificates of participation secured by specific revenue sources. The remainder of the debt (\$8.6 million) consists of notes payable agreements.

The Town's total long-term debt increased by \$21.3 million or 20 percent in 2022, offset by scheduled annual principal payments, due to the issuance of \$25.5 million in Water and Sewer Enterprise Bonds, Series 2022.

Additional information on the Town's long-term debt can be found in the Notes to the Basic Financial Statements on page(s) 65-71.

## General Fund Budgetary Highlights

Unspent capital project appropriations do not automatically carry over into the new year, but unspent amounts are re-appropriated in the following year. The increase in total expenditures of \$11.6 million between the total "original" budgets and the "final" amended budgets for the General Fund, excluding subsidiary funds, was in part due to carryforward of previously unspent capital items totaling \$2.8 million and a supplemental appropriation of \$3.5 million to secure the purchase of the historic Cantril School in the downtown area. The largest components of the capital carryforward in the General Fund were \$1.3 million for the open space improvements and \$1.3 million for annual trail improvements.

When comparing budgeted to actual expenditures in the General Fund and subsidiary Economic Development Fund, Parking Fund, and TABOR Excess Fund there were positive variances of \$13.0 million, \$547 thousand, \$173 thousand, and \$2.2 million respectively. For the General Fund, this was made up of unspent capital funds of \$10.6 million or 81 percent, for projects not completed in 2022, \$440 thousand or 3 percent in personnel expenses, \$667 thousand or 5 percent in supplies, and \$1.4 million or 11 percent in services and other expenses such as utility costs, vehicle repairs, and contingencies. For the Economic Development Fund, the \$547 thousand were economic development opportunities that have not yet come to fruition in 2022 and will be re-appropriated in a future year. For the Parking Fund, the \$173 thousand positive variance was attributable to unspent maintenance costs associated with the new public parking spaces. For the TABOR Excess Fund, the \$2.2 million positive variance was attributable to \$1.4 million in unspent capital funds and \$847 thousand in services and other.

## Economic Factors and Next Year's Budgets and Rates

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

- The Town continued to experience growth during 2022 with the issuance of permits for 1,029 new residential units (677 single family, 352 multi-family), and 665,829 square feet of nonresidential development, (180,791 square feet of commercial/retail, 118,586 square feet of office space, and 366,452 square feet of warehouse development). The Town will budget 900 new residential units, 415 multifamily units and roughly 50,000 square feet of commercial development in the 2023 budget.
- No increase in tax rates of any kind.
- Unemployment rate for the State of Colorado.
- Inflation as measured by the change in the Denver-Boulder consumer price index (CPI).

The Town collects nine different development and impact fees to defray the costs of new infrastructure needs that are caused by growth. The Town has fee schedules for its various development, system development and impact fees. Impact fees are adjusted annually for inflation.

Existing rates and fees are set pursuant to Town Council approved schedules or policies. The 2023 budget includes a 3.88% increase to water rates and fees for existing customers, along with an increase to the maximum allowed amount for growth-related water resources system development fees. Inflationary increases are planned for all other development impact fees, as previously approved by Council. Golf green fees are to increase by \$5 for most rounds.

The 2023 budget provides for \$112 million in capital improvements. This includes the following significant projects:

- Construct the Plum Creek North neighborhood park
- Widening of 5<sup>th</sup> Street from Woodlands Boulevard to Ridge Road
- Improve the intersection of Park Street and Wolfensberger Road
- Continue design and preconstruction activities for the future Interstate 25/Crystal Valley Parkway interchange
- Rehabilitate and replace existing Town of Castle Rock wells and waterlines as they approach the end of their useful lives
- Design, planning and implementation of Advanced Metering Infrastructure (AMI)
- Continue additional pipeline connections and infrastructure expansion as part of the Water Infrastructure and Supply efficiency (WISE) Project
- Construct Castle Rock Reservoir No. 2, a new 786 acre-foot raw water storage reservoir
- Continue acquisition of locally available renewable water rights
- Continue stream channel stabilization throughout Castle Rock
- Upsize the sewer system along Prairie Hawk Drive

## Requests for Information

This financial report is designed to provide a general overview for all those with an interest in the Town’s finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: Finance Department, 100 North Wilcox Street, Castle Rock, Colorado 80104.

*The Town of Castle Rock offers many ways to stay connected and informed such as:*





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## Town-wide Financial Statements

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 134,400,199	\$ 65,974,203	\$ 200,374,402	\$ 961,848
Investments	35,027,223	66,956,718	101,983,941	-
Cash held in escrow	1,296,180	2,138,061	3,434,241	-
Receivables				
Property taxes	1,748,067	-	1,748,067	225,150
Grants	1,394,044	-	1,394,044	-
Sales taxes	8,042,668	445,636	8,488,304	-
Accounts, net of allowance of \$438,105	4,438,503	4,539,629	8,978,132	-
Leases	840,283	1,669,404	2,509,687	-
Notes	-	6,354,065	6,354,065	-
Long term receivable	1,153,964	-	1,153,964	-
Other	-	-	-	45,787
Internal balances	402,435	(402,435)	-	-
Prepaid items	661,086	389,636	1,050,722	319
Inventory	-	95,434	95,434	-
Capital assets				
Land	78,347,392	22,919,144	101,266,536	-
Water rights	-	193,379,709	193,379,709	-
Artwork	293,733	-	293,733	-
Right of way	14,952,182	244,469	15,196,651	-
Easements	5,524,086	18,118,615	23,642,701	-
Construction in progress	38,063,514	84,962,003	123,025,517	14,394,092
Buildings and improvements	80,738,353	69,887,342	150,625,695	154,267
Infrastructure	446,517,154	513,807,061	960,324,215	-
Other structures and improvements	68,739,793	13,080,836	81,820,629	-
Machinery and equipment	44,872,567	19,404,962	64,277,529	-
Accumulated depreciation	(305,311,857)	(219,686,820)	(524,998,677)	(117,509)
Lease assets				
Buildings	-	-	-	47,509
Accumulated amortization	-	-	-	(28,669)
Restricted cash and cash equivalents	1,055,623	28,777,850	29,833,473	2,477,087
Net pension asset	10,610,124	-	10,610,124	-
Investment in joint venture	-	43,834,389	43,834,389	-
<b>Total assets</b>	<b>673,807,316</b>	<b>936,889,911</b>	<b>1,610,697,227</b>	<b>18,159,881</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension related amounts	6,663,406	-	6,663,406	-
Loss on refundings	725,980	356,764	1,082,744	-
<b>Total deferred outflows of resources</b>	<b>7,389,386</b>	<b>356,764</b>	<b>7,746,150</b>	<b>-</b>

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

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>LIABILITIES</b>				
Accounts payable	10,327,982	5,200,264	15,528,246	25,798
Retainage payable	973,120	827,822	1,800,942	-
Accrued liabilities	100,433	257,110	357,543	126,521
Deposits	3,486,169	206,145	3,692,314	3,030
Unearned revenues	8,114,520	709,145	8,823,665	45,000
Non-current liabilities				
Due within one year	4,944,468	7,387,118	12,331,586	325,088
Due beyond one year	41,111,277	81,351,165	122,462,442	24,735,413
Total liabilities	69,057,969	95,938,769	164,996,738	25,260,850
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension related amounts	10,008,533	-	10,008,533	-
IREA capital credit	1,153,964	-	1,153,964	-
Property tax	1,748,067	-	1,748,067	225,150
Leases	819,842	1,649,125	2,468,967	-
Total deferred inflows of resources	13,730,406	1,649,125	15,379,531	225,150
<b>NET POSITION</b>				
Net investment in capital assets	427,363,359	654,546,145	1,081,909,504	(7,844,234)
Restricted for parks and open space	1,136,647	-	1,136,647	-
Restricted for emergencies	2,815,555	-	2,815,555	15,565
Restricted for public safety and transportation	18,446,108	-	18,446,108	-
Restricted for capital projects	50,506,237	-	50,506,237	-
Restricted for pensions	10,610,124	-	10,610,124	-
Restricted for other purposes	1,131,552	-	1,131,552	-
Unrestricted	86,398,745	185,112,636	271,511,381	502,550
Total net position	\$ 598,408,327	\$ 839,658,781	\$ 1,438,067,108	\$ (7,326,119)

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

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022

Functions/Programs	Expenses	Program Revenues	
		Charges for Services	Operating Grants and Contributions
<b>Governmental activities</b>			
General government	\$ 19,403,131	\$ 4,914,803	\$ 81,374
Public safety	35,469,608	4,563,587	411,194
Public works	41,974,362	9,047,055	14,118,355
Culture and recreation	9,158,249	6,692,637	3,448,116
Interest on long-term debt	1,079,962	-	-
Total Governmental activities	107,085,312	25,218,082	18,059,039
<b>Business-type activities</b>			
Water	20,849,577	20,330,409	-
Water resources	15,840,089	13,987,054	-
Stormwater	6,128,517	4,145,025	-
Wastewater	11,474,612	11,631,955	-
Other non-major enterprises	20,276,020	15,707,019	-
Total Business-type activities	74,568,815	65,801,462	-
	<u>\$ 181,654,127</u>	<u>\$ 91,019,544</u>	<u>\$ 18,059,039</u>
<b>Component units</b>	<u>\$ 2,151,903</u>	<u>\$ 24,244</u>	<u>\$ -</u>

**General revenues**

- Taxes
  - Property
  - Sales
  - Use
  - Motor vehicle
  - Other
- Intergovernmental
- Unrestricted investment earnings (loss)
- Other revenues not restricted for a purpose

**Transfers**

- Total general revenues and transfers
- Changes in net position
- Net position (deficit) - January 1
  - Restatement for long term sale of capital assets
  - Implementation of GASB Statement No. 87
- Net position (deficit) - January 1, as restated
- Net Position (deficit) - December 31

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

<b>Net (Expense) Revenue and Changes in Net Position</b>				
<b>Capital Grants and Contributions</b>	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>	
\$ 40,000	\$ (14,366,954)	\$ -	\$ (14,366,954)	\$ -
-	(30,494,827)	-	(30,494,827)	-
26,958,739	8,149,787	-	8,149,787	-
3,342,651	4,325,155	-	4,325,155	-
-	(1,079,962)	-	(1,079,962)	-
<u>30,341,390</u>	<u>(33,466,801)</u>	<u>-</u>	<u>(33,466,801)</u>	<u>-</u>
13,876,999	-	13,357,831	13,357,831	-
28,998,107	-	27,145,072	27,145,072	-
15,183,955	-	13,200,463	13,200,463	-
7,729,330	-	7,886,673	7,886,673	-
-	-	(4,569,001)	(4,569,001)	-
<u>65,788,391</u>	<u>-</u>	<u>57,021,038</u>	<u>57,021,038</u>	<u>-</u>
<u>\$ 96,129,781</u>	<u>\$ (33,466,801)</u>	<u>\$ 57,021,038</u>	<u>\$ 23,554,237</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,127,659)</u>
	\$ 2,250,020	\$ -	\$ 2,250,020	\$ 296,771
	68,414,260	3,696,220	72,110,480	-
	11,080,460	427,553	11,508,013	-
	9,669,402	615,008	10,284,410	-
	3,745,319	-	3,745,319	222,465
	-	-	-	201,116
	130,589	(261,179)	(130,590)	32,066
	829,555	-	829,555	2,529
	269,734	(269,734)	-	-
	<u>96,389,339</u>	<u>4,207,868</u>	<u>100,597,207</u>	<u>754,947</u>
	62,922,538	61,228,906	124,151,444	(1,372,712)
	535,485,789	778,429,875	1,313,915,664	(5,902,848)
	-	-	-	(50,000)
	-	-	-	(559)
	<u>535,485,789</u>	<u>778,429,875</u>	<u>1,313,915,664</u>	<u>(5,953,407)</u>
	<u>\$ 598,408,327</u>	<u>\$ 839,658,781</u>	<u>\$ 1,438,067,108</u>	<u>\$ (7,326,119)</u>

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



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## Fund Financial Statements

# GOVERNMENTAL FUNDS

Major governmental funds include the General Fund and any governmental fund that comprises 10% or more of a total governmental fund classification (assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures) and at least 5% of the combined governmental and enterprise funds total for the same classification.

## MAJOR FUNDS

### General Fund

The General Fund is the primary operating fund of the Town. This fund accounts for all financial resources of the Town except those required to be accounted for in another fund. There are three sub-funds of the General Fund: Economic Development, Parking, and TABOR Excess. Economic Development is used to facilitate expansion of the tax base, through primary job creation and improved local economy. Parking is used to account for public parking garage maintenance and debt payments related to the Encore Redevelopment Agreement. TABOR Excess is used to account for revenues in excess of the TABOR cap from 2021 through 2031 as approved by voters.

### Transportation Fund

The Transportation Fund is a special revenue fund that accounts for revenue sources, including taxes, intergovernmental and charges for services that are committed to the furtherance of transportation projects within the Town of Castle Rock, maintenance of existing roads and infrastructure and the overall operations of the public works department.

### Transportation Capital Fund

The Transportation Capital Fund is a capital projects fund that accounts for the resources and expenditures for the construction of new transportation projects which accommodate growth in the Castle Rock area.

## NON-MAJOR FUNDS

### Other Governmental Funds

The Other Governmental Funds column is an aggregate of the following non-major governmental funds.

#### ***Special Revenue Funds***

Conservation Trust  
Philip S. Miller Trust  
Public Art  
Police Forfeiture  
Downtown Development Authority TIF  
Castle Rock Urban Renewal Authority  
Parks and Recreation Lodging Tax  
Festival Commons GID

#### ***Capital Project Funds***

Parks and Recreation Capital  
Municipal Facilities Capital  
Fire Capital  
Police Capital  
General Long Term Planning

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS  
BALANCE SHEET  
DECEMBER 31, 2022

	General	Transportation	Transportation Capital	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 39,359,225	\$ 17,191,045	\$ 35,314,892	\$ 29,977,097	\$ 121,842,259
Investments	15,812,417	6,007,645	6,472,005	4,522,968	32,815,035
Restricted cash and investments	1,055,623	-	-	-	1,055,623
Cash held in Escrow	-	-	18,581	1,277,599	1,296,180
Receivables					
Property taxes	1,492,318	-	-	255,749	1,748,067
Sales taxes	5,966,366	2,076,302	-	-	8,042,668
Accounts, net	1,946,056	1,763,890	1,149,483	778,668	5,638,097
Leases	-	-	-	840,283	840,283
Prepaid items	563,303	89,932	-	4,300	657,535
Loans to other funds	2,486,596	-	-	3,828,221	6,314,817
Total assets	<u>\$ 68,681,904</u>	<u>\$ 27,128,814</u>	<u>\$ 42,954,961</u>	<u>\$ 41,484,885</u>	<u>\$ 180,250,564</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 3,576,942	\$ 3,268,555	\$ 1,423,186	\$ 1,429,453	\$ 9,698,136
Retainage payable	91,701	158,789	220,809	501,821	973,120
Deposits	3,486,169	-	-	-	3,486,169
Unearned revenues	2,568,727	3,518,372	-	1,317,599	7,404,698
Loans from other funds	897,928	-	-	5,377,347	6,275,275
Total liabilities	<u>10,621,467</u>	<u>6,945,716</u>	<u>1,643,995</u>	<u>8,626,220</u>	<u>27,837,398</u>
Deferred inflows of resources					
Property taxes	1,492,318	-	-	255,749	1,748,067
Unavailable fund resources	24,985	59,712	676,238	39,240	800,175
Leases	-	-	-	819,842	819,842
Total liabilities and deferred inflows of resources	<u>12,138,770</u>	<u>7,005,428</u>	<u>2,320,233</u>	<u>9,741,051</u>	<u>31,205,482</u>
Fund balances					
Nonspendable	2,599,422	89,932	-	3,832,521	6,521,875
Restricted	14,339,771	2,767,698	40,634,728	16,293,902	74,036,099
Committed	8,866,834	17,265,756	-	11,875,992	38,008,582
Assigned	11,242,850	-	-	-	11,242,850
Unassigned	19,494,257	-	-	(258,581)	19,235,676
Total fund balances	<u>56,543,134</u>	<u>20,123,386</u>	<u>40,634,728</u>	<u>31,743,834</u>	<u>149,045,082</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 68,681,904</u>	<u>\$ 27,128,814</u>	<u>\$ 42,954,961</u>	<u>\$ 41,484,885</u>	<u>\$ 180,250,564</u>

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

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2022

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Total governmental funds - fund balances \$ 149,045,082

**Amounts reported for governmental activities in the Statement of Net Position are different from governmental fund balances because:**

Net capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Less \$7,009,640 internal service fund capital assets.	465,727,277
Net pension assets do not represent current financial resources available to pay current period expenditures and therefore are not reported in the funds.	10,610,124
Long-term receivables related to regulatory activities do not provide current financial resources until received and therefore are not recorded in the funds.	1,153,964
Internal service funds are used by management to charge the costs of insurance, employee benefits, vehicle replacement, and other activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, net of the amount allocated to business-type activities.	20,965,516
Deferred outflows of resources, related to the loss on refundings is amortized over future reporting periods and is not recorded in the funds.	725,980
Deferred outflows of resources of \$6,663,406 and inflows of resources of (\$10,008,533), related to pension activity, that represent acquisition or consumption of net position that applies to future reporting periods and therefore are not reported in the funds.	(3,345,127)
Revenues associated with long-term receivables related to regulatory activities are not recognized in the fund statements until expended for the intended purpose. These revenues are reported as deferred inflows of resources in the governmental statement of net position.	(1,153,964)
Long-term liabilities, including bonds payable, capital leases, compensated absences and accrued interest payable are not due and payable in the current period and therefore are not reported in the governmental funds.	(46,058,235)
Net pension liabilities are not due and payable in the current period and therefore not reported in the funds.	(62,465)
Deferred inflows of resources related to unavailable fund resources are recognized as revenue in the Town-wide financial statements.	800,175
	<hr/>
Net position of the governmental activities	<u>\$ 598,408,327</u>

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

TOWN OF CASTLE ROCK, COLORADO

**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**FOR THE YEAR ENDED DECEMBER 31, 2022**

	General	Transportation	Transportation Capital	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>					
Taxes					
Property	\$ 1,465,448	\$ -	\$ -	\$ 784,572	\$ 2,250,020
Sales	49,566,348	17,220,944	-	1,626,968	68,414,260
Use	2,491,173	3,363,579	2,545,817	2,679,891	11,080,460
Motor vehicle	6,269,376	3,400,026	-	-	9,669,402
Other taxes	3,745,319	-	-	-	3,745,319
Charges for services	2,790,785	85	-	444,137	3,235,007
Development impact fees	-	-	9,046,970	7,526,672	16,573,642
Management fees	4,205,990	-	-	-	4,205,990
Licenses and permits	202,036	-	-	170,973	373,009
Fines and forfeitures	230,738	-	-	-	230,738
Investment earnings	(102,339)	78,331	82,964	23,839	82,795
Lease interest	-	-	-	30,498	30,498
Intergovernmental	421,992	10,160,581	6,157,633	2,593,791	19,333,997
Contributions and donations	66,881	320,500	2,627,892	864,000	3,879,273
Leases	257,701	-	-	27,358	285,059
Other	516,209	45,225	254	114,196	675,884
Total revenues	<u>72,127,657</u>	<u>34,589,271</u>	<u>20,461,530</u>	<u>16,886,895</u>	<u>144,065,353</u>
<b>EXPENDITURES</b>					
Current					
General government	15,620,180	-	-	2,428,872	18,049,052
Public safety	38,631,818	-	-	8,085	38,639,903
Public works	-	27,523,446	-	-	27,523,446
Culture and recreation	5,024,880	-	-	1,340,182	6,365,062
Capital outlay	4,019,311	4,129,209	12,106,843	8,140,554	28,395,917
Debt service					
Principal	-	690,000	525,000	415,000	1,630,000
Interest	339,400	217,400	390,949	294,413	1,242,162
Agency fees	2,000	300	700	2,000	5,000
Total expenditures	<u>63,637,589</u>	<u>32,560,355</u>	<u>13,023,492</u>	<u>12,629,106</u>	<u>121,850,542</u>
Excess (deficiency) of revenues over (under) expenditures	<u>8,490,068</u>	<u>2,028,916</u>	<u>7,438,038</u>	<u>4,257,789</u>	<u>22,214,811</u>
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	16,016,841	5,641,727	3,350,000	931,979	25,940,547
Transfers out	(15,039,826)	(10,082,636)	-	(2,257,592)	(27,380,054)
Total other financing sources (uses)	<u>977,015</u>	<u>(4,440,909)</u>	<u>3,350,000</u>	<u>(1,325,613)</u>	<u>(1,439,507)</u>
Net change in fund balances	9,467,083	(2,411,993)	10,788,038	2,932,176	20,775,304
Fund balances - January 1	<u>47,076,051</u>	<u>22,535,379</u>	<u>29,846,690</u>	<u>28,811,658</u>	<u>128,269,778</u>
Fund balances - December 31	<u>\$ 56,543,134</u>	<u>\$ 20,123,386</u>	<u>\$ 40,634,728</u>	<u>\$ 31,743,834</u>	<u>\$ 149,045,082</u>

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

**TOWN OF CASTLE ROCK, COLORADO**

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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Net change in fund balances total government funds \$ 20,775,304

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

Governmental funds report capital outlay \$28,395,917 as an expenditure while in the statement of activities the cost of those assets are capitalized and allocated over the estimated useful lives and reported as depreciation expense (\$19,656,036). This amount is the net difference between capital outlay and depreciation reported in the current period, less depreciation related to internal service funds. 8,739,881

Contributed assets do not require the use of current financial resources of governmental funds, but are treated as revenues in the statement of activities. In 2022 the Town received capital assets for plaza infrastructure (general government) valued at \$40,000, streets (public works) valued at \$21,530,880, land and easements (culture and recreation) valued at \$3,317,651. 24,888,531

Loss on disposal of capital assets do not require the use of current financial resources of the governmental funds, but are treated as program expenses in the statement of activities. The Town reported losses on the disposal of general government capital assets with net book value \$632. (632)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt. 1,623,050

Internal service funds are used by management to charge the costs of insurance and employee benefits to individual funds, and to provide vehicle repair, maintenance and replacement. The net revenue (expenditures) of the internal service funds is reported with the governmental activities, net of the amount allocated to business-type activities. 3,408,573

Pension related expense reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the funds. 3,168,738

Deferred inflows of resources related to unavailable fund resources are not recognized as revenue in the governmental funds. 319,093

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Change in net position of governmental activities \$ 62,922,538

## **PROPRIETARY FUNDS**

Major proprietary funds are enterprise funds that comprise 10% or more of a total enterprise fund classification (assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures) and at least 5% of the combined governmental and enterprise funds total for the same classification.

Enterprise funds account for operations that are financed and operated in a manner similar to private business where costs are predominantly supported by user charges or where management has decided periodic determination of revenues, expenses and / or changes in net position is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

### **MAJOR FUNDS**

#### **Water Fund**

The Water Fund accounts for activities related to water well development and extraction, water treatment, water transportation systems and for the repair and maintenance of such facilities.

#### **Water Resources Fund**

The Water Resources Fund accounts for the Town's activities related to the analysis and measurement of the long-term water needs of the Town including conservation promotion and the development and maintenance of ground water and renewable water sources.

#### **Stormwater Fund**

The Stormwater Fund accounts for the development, operation and maintenance of infrastructure related to storm water run-off including storm sewers, detention ponds and other drainage ways within the Town.

#### **Wastewater Fund**

The Wastewater Fund accounts for the development and operation of activities related to the collection and treatment of wastewater.

### **NON-MAJOR FUNDS**

#### **Other Enterprise Funds**

Golf Fund

Community Center Fund

Development Services Fund



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## TOWN OF CASTLE ROCK, COLORADO

**PROPRIETARY FUNDS**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	Water	Water Resources	Stormwater	Wastewater
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 10,773,718	\$ 29,162,148	\$ 5,598,720	\$ 15,008,736
Investments	12,382,241	41,945,120	3,274,362	5,104,935
Cash held in escrow	2,138,061	-	-	-
Receivables				
Sales taxes	-	-	-	-
Accounts	1,713,134	1,224,389	358,285	1,150,291
Leases	41,954	-	-	-
Notes	-	143,128	-	-
Prepaid items	76,534	38,569	41,833	31,820
Inventory	-	-	-	-
Total current assets	<u>27,125,642</u>	<u>72,513,354</u>	<u>9,273,200</u>	<u>21,295,782</u>
Non-current Assets				
Capital assets				
Land	2,380,807	9,316,709	4,679,350	947,834
Easements	2,870,050	2,094,232	12,288,351	859,882
Right of way	28,024	-	216,445	-
Water rights	89,187,710	104,191,999	-	-
Construction in progress	13,017,551	62,496,024	8,202,602	1,245,826
Buildings and improvements	4,849,573	44,671,189	1,712,683	3,152,191
Infrastructure	240,679,041	59,135,335	103,869,205	110,123,480
Machinery and equipment	5,252,561	9,853,365	251,264	1,409,255
Other structures and improvements	2,403,376	904,056	6,243,970	1,193,229
Accumulated depreciation	<u>(129,011,989)</u>	<u>(14,283,552)</u>	<u>(25,404,104)</u>	<u>(41,350,398)</u>
Total capital assets (net of accumulated depreciation)	<u>231,656,704</u>	<u>278,379,357</u>	<u>112,059,766</u>	<u>77,581,299</u>
Restricted cash and cash equivalents	-	28,277,035	-	-
Investment in joint venture	-	-	-	43,834,389
Leases receivable	1,627,450	-	-	-
Notes receivable	-	6,210,937	-	-
Loans to other funds	-	897,928	-	-
Total non-current assets	<u>233,284,154</u>	<u>313,765,257</u>	<u>112,059,766</u>	<u>121,415,688</u>
Total assets	<u>260,409,796</u>	<u>386,278,611</u>	<u>121,332,966</u>	<u>142,711,470</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on refundings	145,787	-	-	24,425
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	1,783,558	1,690,187	609,611	777,674
Retainage payable	453,731	18,612	276,316	79,163
Accrued interest payable	13,873	222,692	13,760	1,315
Deposits	182,855	-	-	-
Revenue bonds payable-current	1,572,058	2,955,000	-	317,942
Notes payable current	-	-	975,000	-
Accrued leave-current	469,771	52,354	85,277	21,792
Unearned revenues	260,372	-	11,575	100,652
Total current liabilities	<u>4,736,218</u>	<u>4,938,845</u>	<u>1,971,539</u>	<u>1,298,538</u>
Non-current liabilities				
Revenue bonds net of unamortized premiums (discounts)	2,176,937	68,736,086	-	31,361
Notes payable	-	-	7,625,000	-
Accrued leave	341,325	27,492	71,597	7,861
Loans from other funds	-	-	-	-
Total non-current liabilities	<u>2,518,262</u>	<u>68,763,578</u>	<u>7,696,597</u>	<u>39,222</u>
Total liabilities	<u>7,254,480</u>	<u>73,702,423</u>	<u>9,668,136</u>	<u>1,337,760</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Leases	1,649,125	-	-	-
<b>NET POSITION</b>				
Net investment in capital assets	226,316,677	234,086,720	102,745,203	77,085,302
Unrestricted	25,335,301	78,489,468	8,919,627	64,312,833
Total net position	<u>\$ 251,651,978</u>	<u>\$ 312,576,188</u>	<u>\$ 111,664,830</u>	<u>\$ 141,398,135</u>

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

	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
\$	5,430,881	\$ 65,974,203	\$ 12,557,940
	4,250,060	66,956,718	2,212,188
	-	2,138,061	-
	445,636	445,636	-
	93,530	4,539,629	194,450
	-	41,954	-
	-	143,128	-
	200,880	389,636	3,551
	95,434	95,434	-
	<u>10,516,421</u>	<u>140,724,399</u>	<u>14,968,129</u>
	5,594,444	22,919,144	-
	6,100	18,118,615	-
	-	244,469	-
	-	193,379,709	-
	-	84,962,003	983,403
	15,501,706	69,887,342	43,590
	-	513,807,061	-
	2,638,517	19,404,962	28,354,524
	2,336,205	13,080,836	-
	<u>(9,636,777)</u>	<u>(219,686,820)</u>	<u>(22,371,877)</u>
	<u>16,440,195</u>	<u>716,117,321</u>	<u>7,009,640</u>
	500,815	28,777,850	-
	-	43,834,389	-
	-	1,627,450	-
	-	6,210,937	-
	-	897,928	-
	<u>16,941,010</u>	<u>797,465,875</u>	<u>7,009,640</u>
	<u>27,457,431</u>	<u>938,190,274</u>	<u>21,977,769</u>
	186,552	356,764	-
	339,234	5,200,264	629,846
	-	827,822	-
	5,470	257,110	-
	23,290	206,145	-
	435,000	5,280,000	-
	-	975,000	-
	502,924	1,132,118	35,478
	336,546	709,145	709,822
	<u>1,642,464</u>	<u>14,587,604</u>	<u>1,375,146</u>
	1,860,000	72,804,384	-
	-	7,625,000	-
	473,506	921,781	-
	937,470	937,470	-
	<u>3,270,976</u>	<u>82,288,635</u>	<u>-</u>
	<u>4,913,440</u>	<u>96,876,239</u>	<u>1,375,146</u>
	-	1,649,125	-
	14,312,243	654,546,145	7,000,308
	8,418,300	185,475,529	13,602,315
\$	<u>22,730,543</u>	<u>\$ 840,021,674</u>	<u>\$ 20,602,623</u>

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

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION  
TO THE STATEMENT OF NET POSITION  
DECEMBER 31, 2022

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Total enterprise net position \$ 840,021,674

**Amounts reported for business-type activities in the Statement of Net Position are different from the enterprise funds Net Position because:**

Internal balances between the governmental activities and the business-type activities result from the allocation of the internal service funds profit / loss that are attributable to the business-type activities: water, water resources, stormwater, wastewater, golf, community center and development services.

(362,893)

Net position of the business-type activities

\$ 839,658,781

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



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TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Water</u>	<u>Water Resources</u>	<u>Stormwater</u>	<u>Wastewater</u>
<b>OPERATING REVENUES</b>				
Charges for services	\$ 18,758,854	\$ 11,672,223	\$ 3,863,165	\$ 11,568,036
Fines and forfeitures	345,437	213,408	-	48
Intergovernmental	300,700	50,252	-	-
Contributions and donations	-	-	-	-
Other	131,256	2,051,171	281,860	63,871
Total operating revenues	<u>19,536,247</u>	<u>13,987,054</u>	<u>4,145,025</u>	<u>11,631,955</u>
<b>OPERATING EXPENSES</b>				
Cost of sales and services	-	-	-	-
Operations	13,452,128	10,200,379	2,918,204	8,409,453
Depreciation	7,341,348	3,495,428	3,082,678	2,968,055
Total operating expenses	<u>20,793,476</u>	<u>13,695,807</u>	<u>6,000,882</u>	<u>11,377,508</u>
Operating income (loss)	<u>(1,257,229)</u>	<u>291,247</u>	<u>(1,855,857)</u>	<u>254,447</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Taxes	-	-	-	-
Investment earnings	(68,989)	(115,786)	(65,048)	18,801
Lease interest	29,205	-	-	-
Leases	127,198	-	-	-
Gain (loss) on disposal of capital assets	-	-	-	-
Interest expense	(169,148)	(1,924,698)	(180,960)	(24,541)
Debt issue costs	-	(247,666)	-	-
Agency and other fees	(552)	(300)	-	(48)
Net income (loss) from joint venture	-	-	-	(129,931)
Total non-operating revenues (expenses)	<u>(82,286)</u>	<u>(2,288,450)</u>	<u>(246,008)</u>	<u>(135,719)</u>
Net income (loss) before contributions and transfers	<u>(1,339,515)</u>	<u>(1,997,203)</u>	<u>(2,101,865)</u>	<u>118,728</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>				
System development fees	4,610,435	28,973,756	2,032,502	3,041,489
Capital asset contributions	9,933,528	24,351	13,151,453	4,687,841
Transfers in	-	17,664	231,324	-
Transfers out	(216,041)	-	-	(231,324)
Total contributions and transfers	<u>14,327,922</u>	<u>29,015,771</u>	<u>15,415,279</u>	<u>7,498,006</u>
Change in fund net position	12,988,407	27,018,568	13,313,414	7,616,734
Total net position - January 1	<u>238,663,571</u>	<u>285,557,620</u>	<u>98,351,416</u>	<u>133,781,401</u>
Total net position - December 31	<u>\$ 251,651,978</u>	<u>\$ 312,576,188</u>	<u>\$ 111,664,830</u>	<u>\$ 141,398,135</u>

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

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
		Internal Service Funds
\$ 15,466,721	\$ 61,328,999	\$ 13,807,673
-	558,893	-
204,667	555,619	-
27,939	27,939	-
7,692	2,535,850	2,206,362
<u>15,707,019</u>	<u>65,007,300</u>	<u>16,014,035</u>
-	-	10,918,338
19,273,746	54,253,910	-
817,235	17,704,744	3,029,083
<u>20,090,981</u>	<u>71,958,654</u>	<u>13,947,421</u>
<u>(4,383,962)</u>	<u>(6,951,354)</u>	<u>2,066,614</u>
4,738,781	4,738,781	-
(59,362)	(290,384)	17,296
-	29,205	-
-	127,198	-
(205,987)	(205,987)	7,473
(118,081)	(2,417,428)	-
-	(247,666)	-
(300)	(1,200)	-
-	(129,931)	-
<u>4,355,051</u>	<u>1,602,588</u>	<u>24,769</u>
<u>(28,911)</u>	<u>(5,348,766)</u>	<u>2,091,383</u>
-	38,658,182	-
-	27,797,173	-
26,667	275,655	1,709,241
(98,024)	(545,389)	-
<u>(71,357)</u>	<u>66,185,621</u>	<u>1,709,241</u>
(100,268)	60,836,855	3,800,624
<u>22,830,811</u>	<u>779,184,819</u>	<u>16,801,999</u>
<u>\$ 22,730,543</u>	<u>\$ 840,021,674</u>	<u>\$ 20,602,623</u>

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

**TOWN OF CASTLE ROCK, COLORADO**

**RECONCILIATION OF THE ENTERPRISE FUNDS STATEMENT OF REVENUES,  
EXPENSES AND CHANGES IN FUND NET POSITION TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

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Change in net position total enterprise funds \$ 60,836,855

**Amounts reported for business-type activities in the statement of activities are different  
because:**

Internal balances between the governmental activities and the business-type activities result from the allocation of the internal service funds profit / loss that are attributable to the business-type activities: water, water resources, stormwater, wastewater, golf, community center and development services.

392,051

Changes in net position of business-type activities

\$ 61,228,906

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



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TOWN OF CASTLE ROCK, COLORADO

**PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Water	Water Resources	Stormwater
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 18,937,401	\$ 14,829,488	\$ 4,653,367
Receipts from interfund services provided	-	-	-
Payments to suppliers	(8,642,449)	(7,347,648)	(899,780)
Payments to employees	(4,850,430)	(2,640,846)	(2,021,284)
Net cash provided by (used in) operating activities	<u>5,444,522</u>	<u>4,840,994</u>	<u>1,732,303</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Cash transfers in	-	17,664	231,324
Cash transfers out	(216,041)	-	-
Interfund loans	-	131,100	-
Grants and contributions	-	-	-
Receipts from taxes	-	-	-
Net cash provided by (used in) non-capital financing activities	<u>(216,041)</u>	<u>148,764</u>	<u>231,324</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
System development fees	4,610,435	22,619,691	2,032,502
Grants and contributions	666,964	-	-
Principal payments received on leases receivable	49,266	-	-
Interest payments received on leases receivable	24,137	-	-
Interfund loans	-	-	-
Acquisition of capital assets	(10,375,763)	(9,414,296)	(6,696,501)
Principal paid on bonds and cops payable	(1,508,800)	(3,010,000)	(900,000)
Interest paid on bonds and cops payable	(230,809)	(2,590,241)	(182,400)
Variable and short-term lease payments received	57,653	-	-
Principal paid on finance purchase agreements	-	-	-
Interest paid on finance purchase agreements	-	-	-
Bond issue costs and agency fees	(552)	(247,966)	-
Issuance of capital debt	-	30,250,209	-
Proceeds from sale of capital assets	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>(6,707,469)</u>	<u>37,607,397</u>	<u>(5,746,399)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment earnings	358,062	1,375,570	194,373
Decrease (increase) in equity in pooled investments	(1,201,343)	(3,197,949)	3,380,077
Net cash provided by (used in) investing activities	<u>(843,281)</u>	<u>(1,822,379)</u>	<u>3,574,450</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,322,269)</u>	<u>40,774,776</u>	<u>(208,322)</u>
Cash and cash equivalents - January 1	<u>15,234,048</u>	<u>16,664,407</u>	<u>5,807,042</u>
Cash and cash equivalents - December 31	<u>\$ 12,911,779</u>	<u>\$ 57,439,183</u>	<u>\$ 5,598,720</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION</b>			
Unrestricted cash and cash equivalents (including cash held in escrow)	\$ 12,911,779	\$ 29,162,148	\$ 5,598,720
Restricted cash and cash equivalents	-	28,277,035	-
Total cash and cash equivalents	<u>\$ 12,911,779</u>	<u>\$ 57,439,183</u>	<u>\$ 5,598,720</u>

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

	Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
				Internal Service Funds
	\$ 11,580,423	\$ 15,709,640	\$ 65,710,319	\$ 2,236,188
	-	-	-	13,807,673
	(6,489,278)	(6,534,393)	(29,913,548)	(9,769,186)
	<u>(1,775,068)</u>	<u>(12,797,359)</u>	<u>(24,084,987)</u>	<u>(944,956)</u>
	<u>3,316,077</u>	<u>(3,622,112)</u>	<u>11,711,784</u>	<u>5,329,719</u>
	-	26,667	275,655	1,709,241
	(231,324)	(98,024)	(545,389)	-
	-	-	131,100	-
	-	-	-	-
	-	4,738,781	4,738,781	-
	<u>(231,324)</u>	<u>4,667,424</u>	<u>4,600,147</u>	<u>1,709,241</u>
	3,041,489	-	32,304,117	-
	-	-	666,964	-
	-	-	49,266	-
	-	-	24,137	-
	-	436,655	436,655	-
	(2,355,636)	(1,163,137)	(30,005,333)	(3,509,319)
	(301,200)	(398,165)	(6,118,165)	-
	(30,840)	(72,605)	(3,106,895)	-
	-	-	57,653	-
	-	(132,612)	(132,612)	-
	-	(9,040)	(9,040)	-
	(48)	(300)	(248,866)	-
	-	-	30,250,209	-
	-	-	-	175,502
	<u>353,765</u>	<u>(1,339,204)</u>	<u>24,168,090</u>	<u>(3,333,817)</u>
	211,810	101,327	2,241,142	100,935
	(90,328)	(75,202)	(1,184,745)	(39,143)
	<u>121,482</u>	<u>26,125</u>	<u>1,056,397</u>	<u>61,792</u>
	3,560,000	(267,767)	41,536,418	3,766,935
	<u>11,448,736</u>	<u>6,199,463</u>	<u>55,353,696</u>	<u>8,791,005</u>
	<u>\$ 15,008,736</u>	<u>\$ 5,931,696</u>	<u>\$ 96,890,114</u>	<u>\$ 12,557,940</u>
	\$ 15,008,736	\$ 5,430,881	\$ 68,112,264	\$ 12,557,940
	-	500,815	28,777,850	-
	<u>\$ 15,008,736</u>	<u>\$ 5,931,696</u>	<u>\$ 96,890,114</u>	<u>\$ 12,557,940</u>

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

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Water	Water Resources	Stormwater
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ (1,257,229)	\$ 291,247	\$ (1,855,857)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities</b>			
Depreciation	7,341,348	3,495,428	3,082,678
Changes in operating assets and liabilities			
(Increase) decrease in assets			
Accounts receivable	(616,662)	842,435	510,657
Prepaid items	(17,030)	(67)	(5,818)
Inventory	-	-	-
Increase (decrease) in liabilities			
Accounts payable	(50,952)	205,964	4,065
Accrued leave	27,226	5,987	(1,107)
Unearned revenue	32,261	-	(2,315)
Deposits	(14,440)	-	-
Total adjustments	6,701,751	4,549,747	3,588,160
Net cash provided by (used in) operating activities	<u>\$ 5,444,522</u>	<u>\$ 4,840,994</u>	<u>\$ 1,732,303</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Contributed infrastructure	9,266,564	\$ 24,351	\$ 13,151,453
Equity in joint venture	-	-	-
Payables incurred for purchase of capital assets	(1,736,819)	(878,586)	(714,563)
Amortization of premium, discount and deferred loss on refunding	56,300	(746,839)	-
Amortization of deferred inflows - leases	69,545	-	-
Assets leased to others	(1,718,670)	-	-
Notes issued to system users	-	6,354,065	-
Decrease in fair value of investments	(427,051)	(1,491,356)	(259,421)
Noncash investing, capital and financing activities	<u>\$ 5,509,869</u>	<u>\$ 3,261,635</u>	<u>\$ 12,177,469</u>

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities
			Internal Service Funds
\$ 254,447	\$ (4,383,962)	\$ (6,951,354)	\$ 2,066,614
2,968,055	817,235	17,704,744	3,029,083
(22,021)	(44,998)	669,411	(30,217)
(1,938)	(46,562)	(71,415)	222,936
-	(20,134)	(20,134)	-
144,624	(59,113)	244,588	19,327
2,420	67,798	102,324	(38,068)
(29,510)	53,943	54,379	60,044
-	(6,319)	(20,759)	-
3,061,630	761,850	18,663,138	3,263,105
<u>\$ 3,316,077</u>	<u>\$ (3,622,112)</u>	<u>\$ 11,711,784</u>	<u>\$ 5,329,719</u>
\$ 4,687,841	\$ -	\$ 27,130,209	\$ -
(129,931)	-	(129,931)	-
(171,119)	(19,504)	(3,520,591)	(9,332)
(5,045)	38,267	(657,317)	-
-	-	69,545	-
-	-	(1,718,670)	-
-	-	6,354,065	-
(193,009)	(160,689)	(2,531,526)	(83,639)
<u>\$ 4,188,737</u>	<u>\$ (141,926)</u>	<u>\$ 24,995,784</u>	<u>\$ (92,971)</u>

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



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## **FIDUCIARY FUNDS**

Fiduciary funds account for assets held on behalf of outside parties, including individuals, organizations and other governments. Fiduciary funds are not reflected in the Town-wide financial statements because the assets of those funds are not available to support Town programs or operations.

### **PENSION TRUST FUNDS**

Pension trust funds account for the activities and accumulation of resources to pay retirement benefits for employees.

#### **FPPA Fire Volunteers Pension Fund**

The FPPA Fire Volunteers Pension Fund is a pension trust fund used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future.

### **CUSTODIAL FUNDS**

Custodial funds are used to report fiduciary activities that are not held in a trust or equivalent arrangement for individuals, organizations and other governments. The Custodial Funds column is an aggregate of the following funds.

#### ***Custodial Funds***

Add-On PIF Fund

Special District Fee Fund

Use Tax Fund

Authority Development Fee Fund

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS

STATEMENT OF FIDUCIARY NET POSITION

DECEMBER 31, 2022

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	<u>Pension Trust Fund</u>	<u>Custodial Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ -	\$ 139,096
Affiliated local plan pool	897,538	-
Accounts receivable	-	59,605
	<u>897,538</u>	<u>198,701</u>
Total assets	<u>897,538</u>	<u>198,701</u>
<b>LIABILITIES</b>		
Accounts payable	-	685
Due to organizations and other governments	-	198,016
	<u>-</u>	<u>198,701</u>
Total liabilities	<u>-</u>	<u>198,701</u>
<b>NET POSITION</b>		
Restricted for:		
Pensions	<u>897,538</u>	<u>-</u>
Total net position	<u>\$ 897,538</u>	<u>\$ -</u>

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

**TOWN OF CASTLE ROCK, COLORADO**

**FIDUCIARY FUNDS**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Pension Trust Fund</b>	<b>Custodial Funds</b>
<b>ADDITIONS</b>		
Contributions:		
Town of Castle Rock	\$ 20,440	\$ -
State funding	17,635	-
Total contributions	<u>38,075</u>	<u>-</u>
Investment earnings (loss)	(74,486)	-
Less investment expense	(13,103)	-
Net investment earnings (loss)	<u>(87,589)</u>	<u>-</u>
Fee and permit collections for organizations and other governments	-	1,096,131
Tax collections for other governments	-	<u>1,747,100</u>
Total additions (reductions)	(49,514)	2,843,231
<b>DEDUCTIONS</b>		
Benefits paid to participants or beneficiaries	105,908	-
Payments of fees and permits to organizations and other governments	-	1,094,801
Payments of taxes to other governments	-	1,697,113
Payments of refunds	-	44,047
Administrative expense	-	<u>7,270</u>
Total deductions	<u>105,908</u>	<u>2,843,231</u>
Net increase (decrease) in fiduciary net position	(155,422)	-
Net position - January 1	<u>1,052,960</u>	<u>-</u>
Net position - December 31	<u><u>\$ 897,538</u></u>	<u><u>\$ -</u></u>

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

## **COMPONENT UNITS**

Component units are legally separate organizations for which the Town is considered financially accountable or whose exclusion would make the Town's financial statements misleading or incomplete.

### **Castle Rock Downtown Development Authority (CRDDA)**

The Castle Rock Downtown Development Authority (CRDDA), a discretely presented component unit, accounts for activities related to financing, constructing and operating various public improvements in downtown Castle Rock.

### **Miller's Landing Business Improvement District (BID)**

The Miller's Landing Business Improvement District (BID), a discretely presented component unit, accounts for activities related to business improvements within the District's service area.

**TOWN OF CASTLE ROCK, COLORADO**

**COMPONENT UNITS  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	<b>Castle Rock Downtown Development Authority</b>	<b>Miller's Landing Business Improvement District</b>	<b>Total</b>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 942,871	\$ 18,977	\$ 961,848
Restricted cash and cash equivalents	-	2,477,087	2,477,087
Receivables			
Property taxes	202,858	22,292	225,150
Other	45,000	787	45,787
Prepaid items	319	-	319
Capital assets			
Construction in progress	-	14,394,092	14,394,092
Buildings and improvements	154,267	-	154,267
Accumulated depreciation	(117,509)	-	(117,509)
Lease assets			
Buildings	47,509	-	47,509
Accumulated amortization	(28,669)	-	(28,669)
Total assets	<u>1,246,646</u>	<u>16,913,235</u>	<u>18,159,881</u>
<b>LIABILITIES</b>			
Accounts payable	25,798	-	25,798
Deposits	3,030	-	3,030
Accrued liabilities	21	126,500	126,521
Unearned revenues	45,000	-	45,000
Noncurrent liabilities			
Due within one year	10,088	315,000	325,088
Due beyond one year	9,364	24,726,049	24,735,413
Total liabilities	<u>93,301</u>	<u>25,167,549</u>	<u>25,260,850</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property tax	202,858	22,292	225,150
Total deferred inflows of resources	<u>202,858</u>	<u>22,292</u>	<u>225,150</u>
<b>NET POSITION</b>			
Net investment in capital assets	36,125	(7,880,359)	(7,844,234)
Restricted for emergency reserves	15,365	200	15,565
Unrestricted (deficit)	898,997	(396,447)	502,550
Total net position (deficit)	<u>\$ 950,487</u>	<u>\$ (8,276,606)</u>	<u>\$ (7,326,119)</u>

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

**TOWN OF CASTLE ROCK, COLORADO**

**COMPONENT UNITS  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Castle Rock Downtown Development Authority</b>	<b>Miller's Landing Business Improvement District</b>	<b>Total</b>
<b>EXPENSES</b>	\$ 371,299	\$ 1,780,604	\$ 2,151,903
<b>PROGRAM REVENUES</b>			
Charges for services	24,244	-	24,244
Total program revenues	24,244	-	24,244
Net expenses	(347,055)	(1,780,604)	(2,127,659)
<b>GENERAL REVENUES</b>			
Taxes			
Property taxes	274,091	22,680	296,771
Other taxes	-	222,465	222,465
Intergovernmental	201,116	-	201,116
Investment and interest earnings	10,196	21,870	32,066
Other	2,529	-	2,529
Total general revenues	487,932	267,015	754,947
Changes in net position	140,877	(1,513,589)	(1,372,712)
Net position (deficit) - January 1	860,169	(6,763,017)	(5,902,848)
Restatement for long term sale of capital assets	(50,000)	-	(50,000)
Implementation of GASB Statement No. 87	(559)	-	(559)
Net position (deficit) - January 1, as restated	809,610	(6,763,017)	(5,953,407)
Net position (deficit) - December 31	<u>\$ 950,487</u>	<u>\$ (8,276,606)</u>	<u>\$ (7,326,119)</u>

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



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## Notes to the Basic Financial Statements

# TOWN OF CASTLE ROCK, COLORADO

## NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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### SUMMARY OF NOTES TO THE BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies
  - A. Financial Reporting Entity
  - B. Financial Statement Presentation
  - C. Measurement Focus and Basis of Accounting
  - D. Cash and Investments
  - E. Restricted Assets
  - F. Receivables
  - G. Inventories
  - H. Prepaid Items
  - I. Capital Assets
  - J. Property Taxes
  - K. Leases
  - L. Accounts Payable
  - M. Unearned Revenues (Liabilities)
  - N. Accrued Leave
  - O. Non-current Liabilities
  - P. Fund Balances and Net Position
  - Q. Deferred Outflows / Inflows of Resources
  - R. Use of Estimates
  - S. Implementation of New GASB Standards
2. Reconciliation of Town-wide and Fund Financial Statements
3. Deposits and Investments
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5. Notes Receivable
6. Long-Term Receivables
7. Capital Assets
8. Investment in Joint Venture
9. Long-Term Liabilities
10. Fund Balance
11. Pension Plans
12. Deferred Compensation Plans
13. Risk Management
14. Commitments and Contingencies
15. Interfund Transactions
16. Deficit Fund Balance
17. Tax Abatements
18. Discretely-Presented Component Units
19. Related Party Transactions
20. Transfer of Operations

# TOWN OF CASTLE ROCK, COLORADO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Town of Castle Rock, Colorado (the Town) was incorporated in 1881 and was voted by the citizens as a home-rule municipality in 1987 under the provisions of Article XX of the Constitution of the State of Colorado. The Town operates under a Council-Manager form of government.

These financial statements are prepared in accordance with accounting principles applicable to governments generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. A summary of the Town's significant accounting policies and descriptions of the financial statements are described below:

#### A. Financial Reporting Entity

The financial reporting entity is based upon the concept that elected officials are accountable to their constituents for their actions. The objective of the financial reporting entity is to provide users of the financial statements with a basis for assessing the accountability of the elected officials. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the Town's financial statements to be misleading or incomplete. These financial statements include all funds and activities of the Town. The accompanying financial statements present the Town and its component units, entities for which the Town is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Each discretely presented component unit is reported in a separate column in the town-wide financial statements to emphasize that it is legally separate from the government.

#### Blended component units

The Castle Rock Urban Renewal Authority (CRURA) serves all the citizens of the Town and is governed by a board comprised of the Town's elected Council. The Town has agreed to provide financial support to the CRURA. The CRURA is reported as a special revenue fund and does not issue separate financial statements.

The Festival Park Commons General Improvement District (GID) was created under Colorado state statutes. The GID has the power to develop and maintain public improvements and to finance such improvements by levying a general property tax upon the benefiting property. The GID is a legally separate entity from the Town and is governed by a board comprised of the Town's elected Council. The Town's elected Council is responsible for adopting the GID's annual budget during years of activity. The GID is reported as a special revenue fund and does not issue separate financial statements.

#### Discretely presented component units

The Castle Rock Downtown Development Authority (CRDDA) was formed in 2008, under State of Colorado statutes as a quasi-municipal corporation, by the voters of downtown Castle Rock, Colorado to finance, construct and, on occasion, operate various public improvements including streetscape projects, sidewalks, street lighting, street furniture, public parks and places. The CRDDA is governed by a seven-member elected Board of Directors pursuant to the provisions of the Colorado Special District Act and

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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consists of property owners, business owners and other representatives of downtown Castle Rock. One of these individuals serves as a liaison to the Town Council and is a member of Council. The operations of CRDDA are guided by the 2008 Plan of Development adopted by the board of directors. The Town is able to impose its will on CRDDA as its operating plan and budget are approved by Town Council. The Town also approves and certifies the mill levy collected by the CRDDA and has issued debt on behalf of CRDDA.

The Miller's Landing Business Improvement District (BID) was organized on September 20, 2016, and is governed pursuant to provisions of the Business Improvement District Act, CRS 31-25-1203. The District operates under a service plan approved by the Town of Castle Rock on August 8, 2016, and is governed by a Board of Directors comprised of up to five members appointed by Town Council. The District was established for the purpose of making public improvements and providing services to the proposed commercial development, in accordance with the District's operating plan.

Separately issued financial reports are available for the CRDDA and the Miller's Landing BID. The reports may be obtained by contacting:

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

#### Fiduciary component unit

The FPPA Fire Volunteers Pension Plan is part of a statewide agent multiple-employer defined benefit Public Employee Retirement System. The Affiliated Local Plans represent the assets of numerous separate plans that have been pooled for investment purposes. These pension plans have elected to affiliate with FPPA for plan administration and investment purposes only and are held in trust. Each plan has a separate plan document and actuarial valuation and is governed by its own local pension board which has the authority to amend the plan benefits, such as cost-of-living increases, funeral benefits, and others as applicable. The Plan is funded by contributions from the Town and the State. The Town Fire Volunteer Pension Board consists of three plan members, two public safety commissioners, the Mayor, the Fire Chief, and the Finance Director. The FPPA Fire Volunteers Pension Plan is not included in the Town-wide statements because its assets are not available to support the Town's own programs. The FPPA Annual Comprehensive Financial Report can be obtained on FPPA's website at: [www.fppaco.org/annual-reports.html](http://www.fppaco.org/annual-reports.html).

#### **B. Financial Statement Presentation**

The basic financial statements consist of the Town-wide financial statements, the fund financial statements and the notes to the basic financial statements.

#### Town-wide financial statements

The Town-wide financial statements ("statement of net position" and "statement of activities") report information on all non-fiduciary activities of the primary government and component units.

The activities of the primary government are aggregated into two activity types: governmental and business-type.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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**Governmental activities** reflect most of the Town's services including: general government, public safety (police and fire), public works (transportation and streets) and culture and recreation (parks and open space), which are normally supported by taxes and intergovernmental revenues.

**Business-type activities** include water, water resources, stormwater and wastewater utilities, a golf course, community centers (recreation), and development services. These activities rely to a significant extent on fees and charges for services.

The *primary government* is reported separately from the legally separate *component units* for which the primary government is financially accountable.

The *statement of net position* reports what the Town owns (assets and deferred outflows of resources) and what the Town owes (liabilities and deferred inflows of resources) with the difference being reported as net position.

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

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the fiduciary funds are excluded from the Town-wide reporting as the assets are not available to support Town programs or operations. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

#### Fund Financial Statements

The Town uses fund accounting to control and manage money intended for a particular purpose or to demonstrate compliance with finance-related legal requirements.

Fund statements are grouped into three fund categories: governmental, proprietary and fiduciary. The fund financial statements report Town operations in more detail than the Town-wide financial statements by providing information about financially significant funds called "major funds". Individual financial information is reported for each major fund with the remaining "non-major" funds, including its blended component units, being aggregated into a single "other" column.

#### **Governmental Funds**

The Town reports the following major governmental funds:

The *General Fund* is the Town's primary operating fund. It accounts for all financial resources of the Town, except those required to be accounted for in another fund. The *Economic Development Fund* is a sub-fund of the General Fund to facilitate expansion of the tax base, through primary job creation and improved local economy. The *Parking Fund* is a sub-fund of the General Fund to fund public parking garage maintenance and debt payments related to the Encore Redevelopment Agreement. The *TABOR Excess*

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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*Fund* is a sub-fund of the General Fund to account for the use of revenues in excess of the TABOR cap from 2021 through 2031 as approved by voters.

The *Transportation Fund* is a special revenue fund that accounts for the accumulation of financial resources and expenditures for the construction, acquisition, installation, repair and maintenance of streets, bridges, sidewalks and public transit and the acquisition of easements and right-of-ways, development of transportation facilities and for the operations of the department responsible for the construction and maintenance of such facilities. The following revenue sources are committed to the furtherance of transportation projects within the Town of Castle Rock, the maintenance of existing roads and infrastructure and the overall operations of the public works department:

- Tax revenue inclusive of but not limited to the following:
  - Sales tax
  - Building Use Tax
- Intergovernmental revenues are inclusive of but not limited to the following:
  - Highway User Revenue
  - Road & Bridge Revenue
  - Douglas County Shareback
- Charge for services
- Investment earnings
- Contributions and donations
- Any other revenue inclusive of but not limited to the following:
  - Reimbursements
  - Refunds

The *Transportation Capital Fund* is a capital projects fund that accounts for the planning and construction of growth related capital improvement projects.

#### ***Proprietary Funds***

The Town reports the following major proprietary funds:

The *Water Fund* is used to account for the Town's activities related to water well development, water extraction, treatment, and transportation systems, and for the repair and maintenance of such facilities.

The *Water Resources Fund* is used to account for the Town's activities related to the analysis and measurement of the long-term water needs of the Town including conservation promotion and the maintenance and development of groundwater and renewable water sources.

The *Stormwater Fund* is used to account for long-term stormwater planning, implementation of capital improvement projects, and administration of the Town's floodplain program.

The *Wastewater Fund* is used to account for the activities related to wastewater collection and treatment.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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In addition, the Town reports the internal service funds as non-major funds. The internal service funds are used to finance and account for goods and services provided to other funds, on a cost reimbursement basis. These funds are used to account for the operations of the Employee Benefits and Fleet Services Funds.

The proprietary fund “statement of revenues, expenses and changes in net position” classifies revenues and expenses directly related to the service provided as “operating”. Operating revenues are primarily charges for services (exchange-like transactions) for utility services (water, water resources, stormwater, and wastewater), recreation services (golf, and community center) and for development services. Golf operating revenues include sales of merchandise. Operating revenues for internal service funds are charges for services provided to other funds and departments. All other revenues in the proprietary funds are reported as non-operating revenues. Operating expenses for proprietary funds include cost of sales and services, administrative expenses and depreciation of capital assets. All other expenses are reported as non-operating.

#### ***Fiduciary Funds***

Fiduciary funds account for assets held on behalf of outside parties, including individuals, organizations and other governments. Fiduciary funds are not reflected in the Town-wide financial statements because the assets of those funds are not available to support Town programs or operations. The fiduciary activities of the Town are reported in the following fiduciary funds:

The *FPPA Fire Volunteers Pension Fund* is a pension trust fund used to account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future. Resources are contributed by the Town at amounts determined by biennial actuarial studies as well as contributions by the State of Colorado.

The *Add-On PIF Fund* is a custodial fund used to account for the receipt and disbursement of the Add-On Public Improvement Fee (PIF) collected on sales transactions in the Promenade retail center and within the Encore project. The Town remits collections of the Add-On PIF to the Promenade Metropolitan District No. 1 on a monthly basis.

The *Special District Fee Fund* is a custodial fund used to account for receipt and disbursement of the Meadows District imposed capital reserve fee. The Town remits collections of the capital reserve fee to the Meadows Districts on a monthly basis.

The *Use Tax Fund* is a custodial fund used to account for the receipt and disbursement of Douglas County’s 1.00% portion of the use tax imposed on construction materials that are utilized in the construction of real property. The Town remits collections of the use tax to Douglas County on a monthly basis.

The *Authority Development Fee Fund* is a custodial fund used to account for the receipt and disbursement of the Cherry Creek Basin Water Quality Authority’s imposed Development Fee. The fee is collected on new construction and development within the portion of the Town that overlaps the Authority’s boundaries. The Town remits collections of the fee to the Authority periodically, as received.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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#### **C. Measurement Focus and Basis of Accounting**

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the year. The Town reports deferred inflows when the potential revenue does not meet the measurable and available criteria for recognition in the current period. Expenditures are recorded when the liability is incurred. However, debt service and compensated absences are recorded when the payment is due.

Sales taxes, use taxes, motor vehicle use, property taxes, franchise fees, licenses and interest associated with the current fiscal period are all considered to be susceptible to accrual. These are recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received.

As a general rule the effect of interfund activity has been eliminated from the Town-wide financial statements. Exceptions to this general rule are charges between the Town's water and wastewater funds and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

#### **D. Cash and Investments**

To facilitate the recording of cash transactions and maximize earnings on investments, the Town pools cash and investments of all funds, except for unspent bond proceeds. The Town maintains accountability for each fund's equity in pooled cash and investments. Unspent bond proceeds are separately accounted for in accordance with the bond requirements. All unrestricted funds of the Town are eligible for investment. Investment earnings related to combined funds are distributed to each fund on a pro rata basis. For financial statement presentation, each fund's share of the cash and investment pool is reported as "cash and cash equivalents" and "investments" of that fund at year-end.

The Town defines cash equivalents as highly liquid investments with a maturity of three months or less at the date of purchase. The Town has cash in escrow at Douglas County for the Open Space Shareback totaling \$1,277,599, at a third-party title company for a transportation capital project in its warranty period totaling \$18,581, and at a third-party company for the construction of enhanced water improvements per a construction escrow agreement between the Town and Crystal Valley Metropolitan District No. 2 Subdistrict.

Investments are reported at fair value except for local government investment pools and the affiliated local plan pool which are reported at the net asset value per share which is determined based upon how the fund is valued (i.e. fair value or amortized cost). Investment income includes increases and decreases

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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in the fair value of investments. Changes in fair value during the year do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

#### **E. Restricted Assets**

Certain resources, such as those set aside for the repayment of debt, are classified as restricted assets on the balance sheet because their use is limited by bond covenants or other agreements. These assets are generally not available to pay current obligations.

#### **F. Receivables**

Accounts receivable are reported net of an allowance for uncollectible accounts, where applicable. The allowance of \$438,105 is reported in the General Fund.

#### **G. Inventories**

Inventory is maintained in the Golf Fund for resale merchandise. Inventory is valued at cost, which approximates market, using the first in / first-out (FIFO) method.

#### **H. Prepaid Items**

Certain payments to vendors reflect costs applicable to future accounting periods; the associated expense is recognized in the period benefitted by the prepayment in the Town-wide and proprietary funds and the associated expenditures are recognized when consumed in the governmental funds.

#### **I. Capital Assets**

All capital assets, including infrastructure capital assets such as streets and sidewalks are reported in the applicable governmental or business-type activities columns in the Town-wide financial statements and in the proprietary funds financial statements. Purchases and construction of capital assets are reported at cost. Donated assets are valued at the acquisition value at the date of donation. The Town identifies all reportable intangible assets and values of these assets based on purchase price or acquisition value if donated. Intangible assets include, but are not limited to, easements, right-of-ways, internally developed software, water rights, and trademarks.

The Town has established a capitalization threshold of individual assets costing \$5,000 or more with a useful life greater than one year.

Costs incurred for the purchase or construction of capital assets for governmental activities are recorded as capital outlay expenditures in the governmental funds. Infrastructure assets (e.g., streets, sidewalks, and trails) have been capitalized for all infrastructure acquired since 1980. Costs incurred for the purchase or construction of capital assets for business-type activities are reported as assets in the proprietary funds.

Depreciation of exhaustible capital assets is charged as an expense against operations. Accumulated depreciation is reported on the Town-wide and proprietary fund financial statements. Depreciation has been provided over the estimated useful lives using the straight-line method.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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The estimated useful lives are as follows:

Machinery and equipment	5 - 10 years
Buildings and improvements	20 - 40 years
Infrastructure	15 - 50 years
Water Rights (Non-tributary)	100 years

#### J. Property Taxes

Property taxes attached as a lien on property on January 1, are certified to the county by December 15<sup>th</sup> and are levied the following January 1<sup>st</sup>. Property taxes are payable in full by April 30<sup>th</sup>, or in two equal installments due February 28<sup>th</sup> and June 15<sup>th</sup>. Taxes collected by the county are remitted to the Town by the 10<sup>th</sup> of the following month. Property taxes are reported as receivables and deferred inflows when liened and as revenue when collected in the following year.

#### K. Leases

The Town is the lessor for noncancellable leases of land. As lessor, the Town recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and proprietary fund financial statements. Leases are reported at the present value of lease receipts.

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the commencement date.

Subsequently, the deferred inflow of resources is recognized as revenue on a straight-line basis over the life of the lease term. Variable lease payments based on future performance of the lessee or the usage of the underlying assets are not included in the lease receivable calculations but are recognized as inflows of resources in the period in which those payments occur.

Key estimates and judgements include how the Town determines the discount rate it uses to discount the expected lease receipts to present value, lease term and lease receipts.

- The Town uses the interest rate stated in the agreement or, if none is available, uses its estimated incremental borrowing rate (IBR) as the discount rate.
- The lease term includes the noncancellable period of the lease.
- Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The Town monitors changes in circumstances that would require remeasurement of its leases and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The Town leases portions of land for cell tower use as part of its' governmental activities, the terms of which expire in 2047. Payments are either set for the entire term or increase annually by a percentage as stated in the agreement. The leases were measured at lease commencement based upon the IBR.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

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Revenue recognized under these lease contracts during the year ended December 31, 2022 was \$57,856 which include both lease revenue and interest. For governmental activities, the Town leases a portion of land for the use of a zip line and aerial trekking course. Payments are variable based upon a percentage of gross revenues from the business activities as stated in the agreement. Payments received under this lease contract during the year ended December 31, 2022 were \$72,979.

The Town leases portions of land for cell tower use as part of its' business-type activities, the terms of which expire in 2058. Payments either increase annually or at the end of the renewal period by a percentage as stated in the agreement. The leases were measured at lease commencement based upon the IBR. Revenue recognized under these lease contracts during the year ended December 31, 2022 was \$98,750 which include both lease revenue and interest. For business-type activities, the Town receives variable lease payments for the cell tower rents received by the tenant. Payments are based upon a percentage of actual rents received by the tenant as stated in the agreement. Payments received under this lease contract during the year ended December 31, 2022 were \$31,513.

#### L. Accounts Payable

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

	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Vendors	\$ 9,360,064	\$ 4,789,403
Salaries and benefits	967,918	410,861
Total	<u>\$ 10,327,982</u>	<u>\$ 5,200,264</u>

#### M. Unearned Revenue (Liabilities)

Unearned revenues reflect amounts that have been received before the town has a legal claim to the funds. In subsequent periods, when revenue recognition criteria are met, or when the Town has a legal claim to the resources, the unearned revenue is removed from the statements of net position or governmental funds balance sheet and revenue is recognized.

#### N. Accrued Leave

The Town allows employees to accumulate unused vacation and sick benefits up to certain maximum hours. Accrued compensated absences are recognized as expenses when earned by the employee for the Town-wide statements and the proprietary fund statements. Compensated absences are recognized as expenditures when paid in the governmental fund statements. In response to the Pandemic, employees were allowed to carryover unused vacation and sick benefits above the maximum hours.

#### O. Non-current Liabilities

Non-current liabilities include: bonds, notes, certificates of participation, earned but not used compensated absences, and net pension liabilities. The accounting and reporting treatment for a fund's non-current liabilities is determined by its measurement focus.

#### *Governmental Funds*

For governmental funds, the liability is recorded when payment is due or the resources have been accumulated for payment early in the following year. Proceeds from the issuance of debt are reported in

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

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the governmental funds as “other financing sources”. Payments of principal on debt are shown as expenditures. In the governmental fund financial statements, bond premiums and discounts, and bond issuance costs, are reported as expenditures of the current period.

#### *Town-wide (governmental and business-type activities) and Proprietary Funds*

The Town-wide and proprietary fund financial statements use the economic resources measurement focus. Proprietary funds report long-term liabilities in the fund. Long-term liabilities expected to be repaid by governmental funds are reported in the governmental activities column of the Town-wide statements. Under the economic resources measurement focus, debt issuances are reported as increases in non-current liabilities. Principal payments are shown as decreases in non-current liabilities. The outstanding amounts of non-current liabilities are reported on the statement of net position. Amounts due within the next twelve months are reported as “due within one year” with the remaining amount being reported as “due within more than one year”. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

#### **P. Fund Balance and Net Position**

##### *Fund Balances*

Fund balances reflect assets minus liabilities and deferred inflows of resources using the current financial resources measurement focus. Fund balances are only reported in the governmental fund statements. The Town follows GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* which establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in the governmental funds. In the governmental fund financial statements, fund balances are classified as follows:

**Non-spendable Fund Balance** – The portion of fund balance that cannot be spent because it is either not in a spendable form or is legally or contractually required to be maintained intact.

**Restricted Fund Balance** – The portion of fund balance constrained for a specific purpose by external parties, constitutional provisions, or enabling legislation. Effectively, restrictions on fund balance may only be changed or lifted with the consent of resource providers.

**Committed Fund Balance** – The portion of fund balance that can only be used for specified purposes according to limitations imposed by Town Council prior to the end of the current fiscal year. The constraint may be removed or changed only by resolution of Town Council.

**Assigned Fund balance** – The portion of fund balance set aside for planned or intended actions. The intended use may be expressed by Town Council or other individuals authorized to assign funds to be used for a specific purpose. Through a resolution, Town Council assigned authority to the Town Manager. In governmental funds other than the general fund, assigned fund balance represents the amount that is not non-spendable, restricted, or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund.

**Unassigned Fund Balance** – This is the residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund. In 2016, Town Council approved a reserves policy that required funds to be reserved with the intent of stabilizing

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

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revenues which are highly volatile in the event that regular planned revenues do not materialize to the degree anticipated for regular operational needs. Therefore, the Town maintains a cash reserve equal to at least three months of operating expenses in the General Fund to provide for this assurance.

In the Town's Fund Balance policy, it is not specifically identified which order the spending should occur. Therefore, the Town's practice is that the order of spending defaults to the following order: restricted, committed, assigned, and unassigned fund balance.

#### *Net Position*

In the government-wide and proprietary fund financial statements, net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources using the economic resources measurement focus and the accrual basis of accounting. Net Position is reported in three classifications. "Net investment in capital assets" which reflects capital assets (net of accumulated depreciation) reduced by the outstanding amount of the debt that was used to acquire or construct the capital assets. Restricted net position report amounts legally segregated for a specific use. The remaining net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as needed.

#### **Q. Deferred Outflows/Inflows of Resources**

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future reporting period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The Town reports two items that qualify for reporting in this category - pension related amounts and deferred losses on debt refundings.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future reporting period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Town reports four items that qualify for reporting in this category – pension related amounts, CORE (previously IREA) capital credit, property taxes that are deferred to future periods, and lease related amounts. The CORE capital credit is utilized when the Town has a qualifying future project that requires the removal, relocation or installation of CORE infrastructure.

Under the modified accrual basis of accounting, revenues and other fund financial resources are recognized in the period in which they become both measurable and available. Assets recorded in the fund financial statements for which revenues are not available are reported as a deferred inflow of resources. Unavailable fund resources are recognized in the Town-wide statement of activities.

#### **R. Use of Estimates**

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions. These assumptions affect the reported amounts of assets, deferred outflows of resources, liabilities, deferred inflows of resources, revenues and expenditure and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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The Town invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying statements of financial position.

#### **S. Implementation of New GASB Standards**

During 2022, the Town adopted Government Accounting Standards Board Statement No. 87, Leases. GASB Statement No. 87 requires recognition of lease assets and liabilities for certain leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the lease contract. It establishes a single model for lease accounting based on the foundational principle that leases are the financing of the right-to-use an underlying asset. Under the statement, a lessee is required to recognize a lease liability and a tangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. Effective January 1, 2022, the Town implemented the provisions of GASB Statement No. 87 which resulted in recognition of lease receivables of \$192,533 and \$835,215 in the Conservation Trust Fund/governmental activities and the Water Fund/business-type activities, respectively, for contracts entered into as lessor as of January 1, 2022. The Town did not record any leases under a lessee arrangement.

## **2. RECONCILIATION OF TOWN-WIDE AND FUND FINANCIAL STATEMENTS**

The reconciliation of total governmental funds on the governmental funds balance sheet to the governmental activities on the statement of net position includes an amount for long-term liabilities including bonds payable and accrued leave that are not due and payable in the current period and therefore are not reported in the governmental funds.

#### **A. Explanation of Certain Differences between the Government Fund Balance Sheet and the Town-wide Statement of Net Position**

The details of the \$46,058,235 difference relating to governmental activities long-term liabilities are as follows:

2013 Sales and use tax bonds	\$ 550,000
2016 Sales and use tax bonds	4,720,000
2020 Sales and use tax bonds	18,550,000
2013 Certificates of participation	5,930,000
2020 Certificates of participation	8,485,000
Accrued leave, excluding internal service funds of \$35,478	5,709,828
Debt premiums and discounts	2,012,974
Accrued interest payable	<u>100,433</u>
Net adjustments to governmental funds	
fund balances to arrive at net position for	
governmental activities	<u><u>\$ 46,058,235</u></u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**B. Explanation of Certain Differences between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Town-wide Statement of Activities**

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances, total governmental funds and changes in net position of governmental activities as reported in the Town-wide statement of activities. One element of that reconciliation states “repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This amount is the net effect of these differences in the treatment of long-term debt and related items.”

The details of the \$1,623,050 difference are as follows:

Principal payments		
2013 Sales and use tax bonds	\$	525,000
2016 Sales and use tax bonds		690,000
2013 Certificates of participation		415,000
Amortization of bond premium		217,389
Amortization of refunding loss		(59,966)
Accrued interest on debt		4,777
Net increase in accrued leave		<u>(169,150)</u>
Net adjustments to governmental fund revenues and expenditures to arrive at the change in net position for governmental activities.	\$	<u>1,623,050</u>

**3. DEPOSITS AND INVESTMENTS**

A reconciliation of the Town’s deposit and investment balances as of December 31, 2022 by type to the Statement of Net Position is below.

**Summary of Deposit and Investment Balances**

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Fiduciary Funds</b>	<b>Total</b>
Carrying Value				
Petty Cash	\$ 11,267	\$ 6,345	\$ -	\$ 17,612
Deposits	75,004,378	18,460,912	139,096	93,604,386
Investments	95,467,400	143,241,514	897,538	239,606,452
Total	<u>\$ 170,483,045</u>	<u>\$ 161,708,771</u>	<u>\$ 1,036,634</u>	<u>\$ 333,228,450</u>
Included in the Statements of Net Position				
Cash and cash equivalents	\$ 134,400,199	\$ 65,974,203	\$ -	\$ 200,374,402
Investments	35,027,223	66,956,718	897,538	102,881,479
Restricted cash and cash equivalents	1,055,623	28,777,850	139,096	29,972,569
Total	<u>\$ 170,483,045</u>	<u>\$ 161,708,771</u>	<u>\$ 1,036,634</u>	<u>\$ 333,228,450</u>

# TOWN OF CASTLE ROCK, COLORADO

## NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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### A. Inherent Risks

The Town's deposits and investments, (like those of other governments), are subject to various risks:

#### 1) Custodial Credit Risk

The custodial credit risk of deposits is the risk that in the event of failure of a depository financial institution, the Town would not be able to recover collateral securities that are in the possession of an outside party. The custodial risk for investments is the risk that in the event of the failure of a counterparty to the transaction, the Town would not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

#### 2) Concentration of Credit Risk

State statutes do not limit the amount the Town may invest in one issuer. At December 31, 2022, the Town's investments in any one issuer greater than five percent of the Town's total investments include the following:

<u>Issuer</u>	<u>Percent of total investments</u>
U.S. Treasury	21.60%

### B. Town Deposit and Investment Policies

The risk exposure is essentially the same for both governmental and business-type activities.

#### *Deposits*

Deposits are exposed to custodial credit risks if they are not covered by depository insurance and the deposits are uncollateralized. The Town's deposit and investment policy allows Town funds to be deposited in any state or national bank located in Colorado, which is a member of the Federal Deposit Insurance Corporation (FDIC) and which complies with the Colorado Public Deposit Protection Act (PDPA). The PDPA requires that all local governments deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102% of the uninsured public deposits. The PDPA has the effect of perfecting the security interest in the name of the local government agency. At December 31, 2022, the Town's cash deposits had a carrying value of \$93,604,386 and a corresponding bank balance of \$95,221,838 of which \$1,122,898 was FDIC insured and \$94,098,940 was collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name.

#### *Investments*

To limit its exposure to the various investment risks, the Town, through its investment policy, adopted the Colorado Revised Statutes dealing with deposits and investments to restrict investments of Town funds to the securities and transactions meeting certain established criteria. The ratings shown in the following list are by Standard and Poor's (S&P). An investment may also receive an equivalent rating by another rating agency such as Moody's or Fitch. Maturity time limitations are measured from the date of purchase. State statutes do not address custodial risk.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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The Town’s Investment Policy allows the following investments:

- 1) United States Treasury obligations, federal agency securities and federal instrumentality securities, S&P or Moody rated AAA with maturities not exceeding five years.
- 2) Prime commercial paper issued on U.S. companies and denominated in U.S. currency, S&P rated A-1, with maturities not exceeding 270 days.
- 3) Eligible bankers’ acceptances, with maturities not exceeding 180 days, where banks meet certain capital and rating requirements.
- 4) Repurchase agreements and flexible repurchase agreements meeting certain criteria.
- 5) Local government investment pools, with a constant net asset value of \$1 per share, S&P rated AAAM, and which invests under the Colorado Revised Statutes dealing with local government deposits and is overseen by the Colorado Securities Commissioner.
- 6) Time certificates of deposit or savings accounts, with maturities not exceeding one year, meeting both the FDIC and PDPA requirements.
- 7) Money market funds, which are registered, with a constant weighted average maturity and S&P rating of AAAM. No more than 25% of the Town’s aggregated portfolio may be invested in this type of investment.
- 8) Corporate bonds issued by a corporation or bank with a final maturity not exceeding three years from the date of purchase, rated at least AA- by S&P.
- 9) Municipal bonds with a final maturity not exceeding five years from the date of purchase and rated at least A by S&P for general obligation or revenue obligation debt of this state or any political subdivision, institution, department, agency, instrumentality, or authority of this state. Such obligations of any other governmental entity shall be rated at least AA by S&P.

The Town’s investments on December 31, 2022 were as follows:

Investment Type	Standard & Poors Rating	INVESTMENT MATURITIES (In Years)			Fair Value	Net Asset per Share
		Less Than 1	1-5			
U.S. Treasuries	AA+	\$ 17,471,357	\$ 34,094,904	\$ 51,566,261	\$ -	
U.S Agencies	AA+	19,011,049	19,505,600	38,516,649	-	
Municipal/Provincial Bonds	AAA - AA	2,466,353	2,811,814	5,278,167	-	
Corporate Bonds	AA - AA-	2,484,382	4,138,482	6,622,864	-	
Investment Pools						
Local Government Investment Pool *	AAAM	136,724,973	-	-	136,724,973	
Pension Trust Affiliated Local Plan Pool	NR	897,538	-	-	897,538	
<b>Total</b>		<b>\$ 179,055,652</b>	<b>\$ 60,550,800</b>	<b>\$ 101,983,941</b>	<b>\$ 137,622,511</b>	

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

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

*Local Government Investment Pool* – At December 31, 2022 the Town had \$136,724,973 invested in the Colorado Surplus Asset Fund Trust (CSAFE) cash fund. This is an investment vehicle established by State Statute for local government entities in Colorado to pool surplus funds. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The pool does not have any limitations or restrictions on participant withdrawals. The State Securities Commissioner administers and enforces the requirements of creating and operating the pool. The pool operates similarly to a money market fund and each share is equal in value to \$1.00. The pool is rated AAAM by S&P. Investments of the pool are limited to those allowed by State Statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian’s internal records identify the investments owned by the participating governments. Information regarding the CSAFE’s financial statements is available at its website [www.csafe.org](http://www.csafe.org).

*Pension Trust Affiliated Local Plan Pool* – At December 31, 2022 the Town had \$897,538 invested in FPPA’s Long-Term Investment Pool of the Fire & Police Members’ Benefit Investment Fund and fall under the complete investment authority of the FPPA Board of Directors. The Long-Term Pool is designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs. On a monthly basis shared revenues and expenses are allocated to each affiliate. The Plan is included in FPPA’s annual issued audited financials. Additional information regarding the investments and associated risk may be obtained in this report at [www.fppaco.org](http://www.fppaco.org).

#### **Fair Value**

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using matrix pricing techniques; Level 3 inputs are significant unobservable inputs. The Town has the following recurring fair value measurements as of December 31, 2022:

<b>Investment by Fair Value Level</b>	<b>December 31, 2022</b>	<b>Fair Value Measurements Using</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
U.S. Treasuries	\$ 51,566,261	\$ -	\$ 51,566,261	\$ -
U.S Agencies	38,516,649	-	38,516,649	-
Municipal Bonds	5,278,167	-	5,278,167	-
Corporate Bonds	6,622,864	-	6,622,864	-
<b>Total investments by fair value level</b>	101,983,941	\$ -	\$ 101,983,941	\$ -
<b>Investment Measured at Net Asset Value (NAV)</b>				
Local Government Investment Pool	136,724,973			
Pension Trust Affiliated Local Plan Pool	897,538			
<b>Total investments measured at the NAV</b>	137,622,511			
<b>Total investments</b>	<b>\$ 239,606,452</b>			

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**4. RESTRICTED ASSETS**

**Restricted Cash and Cash Equivalents**

<u>Fund</u>	<u>Purpose</u>	<u>Balance December 31, 2022</u>
<b>Governmental activities</b>		
General	Advance grant proceeds	\$ 1,055,623
	Total Governmental activities	<u>\$ 1,055,623</u>
<b>Business-type activities</b>		
Water Resources	2022 Water & Sewer Reveune Bond Unspent note proceeds	\$ 28,277,035
Golf	2015 Revenue Refunding and Improvement Bonds Debt Service Reserve	500,815
	Total Business-type Activities	<u>\$ 28,777,850</u>
	Total Restricted Cash and Cash Equivalents	<u>\$ 29,833,473</u>

**General Fund**

The restricted cash in the General Fund relates to unearned grant revenue associated with advance State and Local Fiscal Recovery Funds (SLFRF) received. The remaining grant proceeds are \$1,055,623 as of December 31, 2022.

**Water Resources Fund**

The restricted cash in the Water Resources Fund relates to unspent 2022 Water and Sewer Bond proceeds of \$28,277,035 as of December 31, 2022.

**Golf Fund**

In 2015, the Golf Fund refunded its outstanding 2005 Golf Course Enterprise Revenue Refunding Bonds. The 2015 Golf Course Enterprise Revenue Refunding and Improvement Bonds require that the Golf Fund maintain a debt service reserve of \$500,815. It is anticipated that this restricted cash will be available to make the final debt service payment due in December 2027.

**5. NOTES RECEIVABLE**

Under an intergovernmental agreement between the Town of Castle Rock and the Consolidated Bell Mountain Ranch Metropolitan District, the Town agreed to provide water services to the Bell Mountain Ranch Subdivisions for the purpose of achieving economies of scale. Per the agreement, system charges totaling \$6,354,065 are due from system users in the service area for system development fees and system improvements. The charges are payable over a 30-year period at an annual interest rate of 2.54%. Payments are due monthly beginning in January 2023. The balance of the notes receivable at December 31, 2022 is \$6,354,065.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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**Notes Receivable to Maturity**

<b>Business-type Activities</b>	
Year	Bell Mountain Ranch Subdivisions System Users
2023	\$ 143,128
2024	146,806
2025	150,579
2026	154,449
2027	158,418
2028-2032	855,286
2033-2037	970,976
2038-2042	1,102,314
2043-2047	1,251,418
2048-2052	1,420,691
	<u>\$ 6,354,065</u>

**6. LONG-TERM RECEIVABLE**

The Town reports a long-term receivable in the governmental activities on the Town-wide Statement of Net Position. The receivable relates to an agreement with CORE Electric Cooperative formerly known as Intermountain Rural Electric Association (IREA). The Town is allowed a percentage of the previous year's CORE adjusted gross revenue derived within the Town from the sale of electrical energy to customers other than the Town or any federal, state or local governmental entities after the write-off of uncollectible accounts and correction of bills theretofore rendered. CORE uses this allotment to apply against expenses incurred if the Town deems it necessary to change the location or nature of any CORE facilities to permit the Town to make street or sidewalk improvements, including but not limited to, pole relocations, pole changes and underground conversions. Unused allotments shall be carried over from year to year and will accumulate until used by the Town. The balance at December 31, 2022 is \$1,153,964.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022

7. CAPITAL ASSETS

Changes in Capital Asset Activity for the Year Ended December 31, 2022

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending</u> <u>Balance</u>
<b>Governmental activities</b>					
Capital assets not being depreciated					
Land	\$ 75,693,623	\$ 2,653,769	\$ -	\$ -	\$ 78,347,392
Artwork	293,733	-	-	-	293,733
Construction in progress	20,274,028	24,956,439	-	(7,166,953)	38,063,514
Easements	4,403,413	1,120,673	-	-	5,524,086
Right of way	12,675,119	2,277,063	-	-	14,952,182
Total capital assets, not being depreciated	<u>113,339,916</u>	<u>31,007,944</u>	<u>-</u>	<u>(7,166,953)</u>	<u>137,180,907</u>
Capital assets being depreciated					
Buildings and improvements	80,619,375	118,978	-	-	80,738,353
Infrastructure	420,646,568	19,536,329	-	6,334,257	446,517,154
Other structures and improvements	65,251,410	2,894,438	(133,905)	727,850	68,739,793
Machinery and equipment	42,837,444	3,245,408	(1,315,131)	104,846	44,872,567
Total capital assets being depreciated	<u>609,354,797</u>	<u>25,795,153</u>	<u>(1,449,036)</u>	<u>7,166,953</u>	<u>640,867,867</u>
Less accumulated depreciation					
Buildings and improvements	(19,929,036)	(2,049,868)	-	-	(21,978,904)
Infrastructure	(191,149,764)	(13,403,846)	-	-	(204,553,610)
Other structures and improvements	(41,686,169)	(2,846,626)	133,905	-	(44,398,890)
Machinery and equipment	(31,142,145)	(4,384,779)	1,146,471	-	(34,380,453)
Total accumulated depreciation	<u>(283,907,114)</u>	<u>(22,685,119)</u>	<u>1,280,376</u>	<u>-</u>	<u>(305,311,857)</u>
Total capital assets, being depreciated, net	<u>325,447,683</u>	<u>3,110,034</u>	<u>(168,660)</u>	<u>7,166,953</u>	<u>335,556,010</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 438,787,599</u>	<u>\$ 34,117,978</u>	<u>\$ (168,660)</u>	<u>\$ -</u>	<u>\$ 472,736,917</u>
Depreciation expense charged to functions					
Governmental activities					
General government		\$ 1,402,533			
Public safety		770,426			
Public works		14,603,322			
Culture and recreation		2,879,755			
Fleet internal service fund		3,029,083			
Total governmental activities depreciation expense		<u>\$ 22,685,119</u>			

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**Changes in Capital Asset Activity for the Year Ended December 31, 2022**

	<u>Beginning</u> <u>Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
<b>Business-type activities</b>					
Capital assets not being depreciated					
Land	\$ 22,614,151	\$ 304,993	\$ -	\$ -	\$ 22,919,144
Construction in progress	69,533,915	23,083,070	-	(7,654,982)	84,962,003
Easements	15,144,378	2,974,237	-	-	18,118,615
Right of way	244,469	-	-	-	244,469
Water rights	117,902,891	2,467,175	-	-	120,370,066
Total capital assets, not being depreciated	<u>225,439,804</u>	<u>28,829,475</u>	<u>-</u>	<u>(7,654,982)</u>	<u>246,614,297</u>
Capital assets being depreciated					
Buildings and improvements	69,851,797	171,093	(135,548)	-	69,887,342
Infrastructure	480,005,106	28,283,763	-	5,518,192	513,807,061
Other structures and improvements	12,581,023	176,005	-	323,808	13,080,836
Machinery and equipment	16,998,046	1,142,135	(548,201)	1,812,982	19,404,962
Water rights - definite life	73,009,643	-	-	-	73,009,643
Total capital assets being depreciated	<u>652,445,615</u>	<u>29,772,996</u>	<u>(683,749)</u>	<u>7,654,982</u>	<u>689,189,844</u>
Less accumulated depreciation					
Buildings and improvements	(12,680,759)	(1,759,000)	16,379	-	(14,423,380)
Infrastructure	(157,708,810)	(12,696,392)	-	-	(170,405,202)
Other structures and improvements	(3,872,279)	(979,543)	-	-	(4,851,822)
Machinery and equipment	(6,476,011)	(1,689,035)	461,383	-	(7,703,663)
Water rights - definite life	(21,721,979)	(580,774)	-	-	(22,302,753)
Total accumulated depreciation	<u>(202,459,838)</u>	<u>(17,704,744)</u>	<u>477,762</u>	<u>-</u>	<u>(219,686,820)</u>
Total capital assets, being depreciated, net	<u>449,985,777</u>	<u>12,068,252</u>	<u>(205,987)</u>	<u>7,654,982</u>	<u>469,503,024</u>
Total governmental activities capital assets, net of accumulated depreciation	<u>\$ 675,425,581</u>	<u>\$ 40,897,727</u>	<u>\$ (205,987)</u>	<u>\$ -</u>	<u>\$ 716,117,321</u>
Depreciation expense charged to functions					
Business-type activities					
Water		\$ 7,341,348			
Water Resources		3,495,428			
Stormwater		3,082,678			
Wastewater		2,968,055			
Golf Course		265,527			
Development Services		136,317			
Community Center		415,391			
Total business-type activities depreciation expense		<u>\$ 17,704,744</u>			

**8. INVESTMENT IN JOINT VENTURE**

In 1989, the Town, Castle Pines Metropolitan District and Castle Pines North Metropolitan District agreed to establish the Plum Creek Water Reclamation Authority (PCWRA). The Town accounts for this agreement as a joint venture, in which the Town has an equity interest. The purpose of PCWRA is to provide wastewater treatment to the members through the operation of wastewater treatment plants. As part of this agreement, the Town transferred title of the Castle Rock treatment plant to PCWRA in 1990. Additionally, the Town shared in the costs of constructing the Castle Pines plant. The PCWRA is required by state statute to have an annual audit. The audit can be obtained by writing to PCWRA, 4255 North US Highway 85, Castle Rock, CO, 80108.

# TOWN OF CASTLE ROCK, COLORADO

## NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

At December 31, 2022, the Town had an equity interest in PCWRA of \$43,834,389. This represents an 79.13% interest in the net position of the PCWRA. During 2022, PCWRA charged the Town \$3,768,508 for the treatment of wastewater. The Town also paid to PCWRA \$700,938 which represents the Town's share of debt service payments for the previous treatment plant expansion.

Investment balance January 1	\$ 43,964,320
Net income (loss) from joint venture	<u>(129,931)</u>
Investment balance December 31	<u>\$ 43,834,389</u>

### 9. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended December 31, 2022:

	Changes In Long-Term Liabilities					
	Balance January 1	Additions	Reductions	Balance December 31	Due within One Year	Due beyond One Year
<b>Governmental activities</b>						
Bonds payable						
2013 Sales and use tax	\$ 1,075,000	\$ -	\$ (525,000)	\$ 550,000	\$ 550,000	\$ -
2016 Sales and use tax	5,410,000	-	(690,000)	4,720,000	710,000	4,010,000
2020 Sales and use tax	18,550,000	-	-	18,550,000	-	18,550,000
Certificates of participation						
2013 COPs	6,345,000	-	(415,000)	5,930,000	430,000	5,500,000
2020 COPs	8,485,000	-	-	8,485,000	-	8,485,000
Bond/COP premiums & discounts	2,230,363	-	(217,389)	2,012,974	-	2,012,974
Accrued leave *	5,614,224	3,567,160	(3,436,078)	5,745,306	3,254,468	2,490,838
Net pension liability **	173,900	62,465	(173,900)	62,465	-	62,465
<b>Total governmental activities</b>	<u>\$ 47,883,487</u>	<u>\$ 3,629,625</u>	<u>\$ (5,457,367)</u>	<u>\$ 46,055,745</u>	<u>\$ 4,944,468</u>	<u>\$ 41,111,277</u>
<b>Business-type activities</b>						
Bonds payable						
2012 Water & Wastewater	\$ 2,570,000	\$ -	\$ (1,255,000)	\$ 1,315,000	\$ 1,315,000	\$ -
2015 Water & Wastewater	3,000,000	-	(555,000)	2,445,000	575,000	1,870,000
2015 Golf Course	2,715,000	-	(420,000)	2,295,000	435,000	1,860,000
2016 Water & Wastewater	38,495,000	-	(2,070,000)	36,425,000	2,180,000	34,245,000
2022 Water & Wastewater	-	25,455,000	(940,000)	24,515,000	775,000	23,740,000
Bond premiums & discounts	7,194,346	4,795,209	(900,171)	11,089,384	-	11,089,384
Notes and finance purchase agreements from direct borrowings and direct placements						
	9,610,777	-	(1,010,777)	8,600,000	975,000	7,625,000
Accrued leave	1,951,575	1,358,635	(1,256,311)	2,053,899	1,132,118	921,781
<b>Total business-type activities</b>	<u>\$ 65,536,698</u>	<u>\$ 31,608,844</u>	<u>\$ (8,407,259)</u>	<u>\$ 88,738,283</u>	<u>\$ 7,387,118</u>	<u>\$ 81,351,165</u>

\* Accrued leave for the Governmental Activities are expected to be liquidated primarily with revenues of the General Fund and Transportation Fund.

\*\* The General Fund has been used in prior years to liquidate pension liabilities.

#### A. Revenue Bonds

Over the years, the Town has issued revenue bonds with pledged revenues as collateral. The revenue bonds have been issued as transportation revenue bonds, water and wastewater revenue bonds and golf revenue bonds. These bonds were issued to finance various construction projects within each of the issuing funds, with the pledged revenue coming from the respective fund.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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The total pledged revenue is not estimable in comparison to pledged debt in that revenues are uncertain as to future amounts. However, the debt coverage requirement for each issue must be met or the bonds will be in default. This provides sufficient coverage each year for the pledged debt. The debt service coverage, or comparison of pledged revenues net of specific operating expenses, for each pledged debt, is provided in Tables 19 through 21 of the statistical section.

In March 2013, the Town issued \$20,000,000 at interest rates ranging from 1.5% – 5% of Sales and Use Tax Revenue Bonds. The purpose of the 2013 bonds was to finance a portion of Castle Rock Parkway. Principal payments are due annually on June 1 through 2035 commencing June 1, 2017. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2013. In October 2020, the outstanding bonds were partially refunded with the Sales and Use Tax Revenue Refunding Bonds, Series 2020. A portion of the 2013 bonds maturing in 2021, 2022 and 2023 totaling \$1,590,000 were not refunded. The Town established an escrow account with proceeds from the 2020 refunding bonds. The amount deposited into the escrow is expected to be sufficient to pay interest on the defeased debt from 2020 until 2023 and to pay the outstanding principal on the defeased debt when the refunded bonds are called on June 1, 2023.

The amount of debt outstanding in escrow at December 31, 2022 is \$16,425,000. As of December 31, 2022, future payments of principal and interest on the unrefunded Series 2013 Bonds total \$561,000. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35% pledged from the General, Transportation, General Long-Term Planning and Community Center funds. During the year ended December 31, 2022 revenues of \$30,891,244 were available to pay annual debt service of \$553,562.

In July 2016, the Town issued \$7,405,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2016 at interest rates ranging from 2% – 5%. The purpose of the 2016 bonds was to refund all of the Town's Sales and Use Tax Revenue Bonds, Series 2008 in the amount of \$7,880,000. Principal payments are due annually on June 1 through 2028 commencing June 1, 2018. Interest payments are due semi-annually on June 1 and December 1 commencing December 1, 2016. As of December 31, 2022, future payments of principal and interest total \$5,426,125. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35% pledged from the General, Transportation, General Long-Term and Community Center funds. During the year ended December 31, 2022 revenues of \$30,891,244 were available to pay annual debt service of \$907,400.

In October 2020, the Town issued \$18,550,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2020 at interest rates ranging from 1.03% – 2.42%. The purpose of the 2020 bonds was to reduce the interest rate paid on the Town's debt by refunding a portion of the Town's Sales and Use Tax Revenue Bonds, Series 2013 in the amount of \$16,425,000. The purpose of the 2013 bonds was to finance a portion of Castle Rock Parkway. Principal payments are due annually on June 1 through 2035 commencing June 1, 2025. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2021. As of December 31, 2022, future payments of principal and interest total \$21,791,796. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35% pledged from the General, Transportation, General Long-Term Planning and Community Center funds. During the year ended December 31, 2022 revenues of \$30,891,244 were available to pay annual debt service of \$362,387.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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The Town issued Water and Wastewater Revenue Bonds in 2006 for \$9,665,000 at a 4% interest rate to construct water and wastewater system improvements. In May of 2012, the Town issued \$11,455,000 at interest rates ranging from 2% – 5% in Water and Wastewater Refunding Bonds. The purpose of the refunding was to reduce the interest rate paid on the previously issued Water and Wastewater Revenue Bonds. In July of 2015, the Town issued \$5,610,000 at interest rates ranging from 2% - 5% in Water and Wastewater Refunding Bonds. The purpose of the refunding was to reduce the interest rate paid on the 2006 Water and Wastewater Revenue Bonds. A portion of the 2006 Revenue Bonds totaling \$905,000 was not refunded. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. The bonds are payable solely from the net revenues of the Town's Water and Wastewater Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2022, net pledged revenues of \$50,376,369 were available to pay annual debt service of \$2,071,650 for the bonds. As of December 31, 2022, future payments of principal and interest, on the 2012 bonds total \$1,380,750 and the 2015 bonds total \$2,751,750.

In July 2016, the Town issued \$50,635,000 of Water and Sewer Enterprise Revenue Refunding Bonds, Series 2016 at interest rates ranging from 1.5% – 5%. The purpose of the 2016 bonds was to prepay all of the Town's obligations under its Certificates of Participation, Series 2008 (COPs). The purpose of the COPs was to fund the acquisition of a raw water storage easement in the Reuter-Hess Reservoir owned and operated by Parker Water and Sanitation District and to acquire, construct and install certain other water supply, storage, transmission, and treatment facilities. Principal payments are due annually on December 1 through 2034 commencing December 1, 2016. Interest payments are due semi-annually on June 1 and December 1 commencing December 1, 2016. As of December 31, 2022, future payments of principal and interest total \$47,511,750. The bonds are payable solely from the net revenues of the Town's Water and Wastewater Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2022, net pledged revenues of \$50,376,369 were available to pay annual debt service of \$3,766,750.

In February 2022, the Town issued \$25,455,000 of Water and Sewer Enterprise Revenue Bonds, Series 2022 at interest rates ranging from 2% – 5%. The purpose of the 2022 bonds was to construct a pipeline through Parker Water and Sanitation District to support additional conveyance capacity for water received pursuant to the Water Infrastructure Supply Efficiency (WISE) project, to construct a new 822 acre-foot reservoir, and to construct the Newlin Gulch Pipeline and Pump Station. Principal payments are due annually on December 1 through 2042 commencing December 1, 2022. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2022. As of December 31, 2022, future payments of principal and interest total \$36,673,300. The bonds are payable solely from the net revenues of the Town's Water Resource Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2022, net pledged revenues of \$50,376,369 were available to pay annual debt service of \$1,833,491.

In 2015, the Town issued \$5,410,000 at a 2.86% interest rate of Golf Revenue Refunding and Improvement Bonds to refund the outstanding 2005 Golf Revenue Refunding Bonds, who's original purpose was to finance the acquisition, construction and equipping of the golf course facility. The purpose of the 2015 refunding was to reduce the interest rate paid on the 2005 Bonds and to provide funds for capital

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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improvements at the Golf Course. The outstanding bonds are payable solely from the revenues derived from the operation of the Red Hawk Ridge Golf Course after the payment of operation and maintenance expenses. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. During the year ended December 31, 2022, net pledged revenues of \$691,611 were available to pay annual debt service of \$497,648. As of December 31, 2022 the outstanding balance, including principal and interest was \$2,495,486.

**Revenue Bonds Outstanding at December 31, 2022**

<u>Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Principal Amount</u>
<b>Governmental Activities</b>			
2013 Sales and Use Tax Bonds	6/1/2035	1.50% - 5.00%	\$ 550,000
2016 Sales and Use Tax Bonds	6/1/2028	2.00% - 5.00%	4,720,000
2020 Sales and Use Tax Bonds	6/1/2035	1.03% - 2.42%	18,550,000
Total governmental activities			<u>\$ 23,820,000</u>
<b>Business-type Activities</b>			
2012 Water and Wastewater Revenue Refunding Bonds	12/1/2023	2.00% - 5.00%	\$ 1,315,000
2015 Water and Wastewater Revenue Refunding Bonds	12/1/2026	2.00% - 5.00%	2,445,000
2015 Golf Course Revenue Refunding and Improvement Bonds Revenue Bonds	12/1/2027	2.86%	2,295,000
2016 Water and Wastewater Revenue Refunding Bonds	12/1/2034	1.50% - 5.00%	36,425,000
2022 Water and Wastewater Revenue Improvement Bonds Revenue Bonds	12/1/2042	2.00% - 5.00%	24,515,000
Total business-type activities			<u>\$ 66,995,000</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**Revenue Bond Debt Service Requirements to Maturity**

Year	Government-type Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2023	\$ 1,260,000	\$ 567,224	\$ 5,280,000	\$ 2,920,187
2024	730,000	536,424	4,165,000	2,671,246
2025	1,665,000	502,749	4,400,000	2,472,519
2026	1,800,000	452,840	4,630,000	2,262,363
2027	1,850,000	398,316	4,165,000	2,066,971
2028 - 2032	9,990,000	1,270,027	21,710,000	7,478,100
2033 - 2037	6,525,000	231,341	14,485,000	2,941,450
2038 - 2042	-	-	8,160,000	1,005,200
	<u>\$ 23,820,000</u>	<u>\$ 3,958,921</u>	<u>\$ 66,995,000</u>	<u>\$ 23,818,036</u>

**B. Certificates of Participation**

In September 2013, the Town issued Certificates of Participation (COPs) in the amount of \$9,245,000. The purpose of the COPs was to fund the construction of the Fieldhouse at Philip S. Miller Park. Principal payments are due annually on December 1 through 2033. Interest (based on a 360-day year consisting of twelve 30-day months) shall be paid semi-annually on the 1st day of the months of June and December. The Police and Municipal Court Facility are pledged assets.

In October 2020, the Town issued Certificates of Participation (COPs) in the amount of \$8,485,000. The purpose of the COPs was to fund a portion of the acquisition, construction, installation, and improvements of 308 public parking spaces in the Encore parking garage. Principal payments are due annually on December 1 through 2048, commencing December 1, 2033. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2021.

**COPs Outstanding at December 31, 2022**

<u>Issue</u>	<u>Maturity</u>	<u>Interest Rates</u>	<u>Principal Amount</u>
<b>Governmental Activities</b>			
2013 Parks and Recreation COPs	12/1/2033	2.0% - 5.0%	\$ 5,930,000
2020 Parking Fund COPs	12/1/2048	4.0%	8,485,000
Total governmental activities			<u>\$ 14,415,000</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**COPs Debt Service Requirements to Maturity**

<b>Government-type Activities</b>		
<b>Year</b>	<b>Principal</b>	<b>Interest</b>
2023	430,000	617,213
2024	450,000	600,013
2025	465,000	582,013
2026	485,000	562,250
2027	505,000	540,425
2028-2032	2,920,000	2,313,400
2033-2037	3,445,000	1,527,150
2038-2042	2,565,000	900,200
2043-2047	2,535,000	441,600
2048	615,000	24,600
	<u>\$ 14,415,000</u>	<u>\$ 8,108,863</u>

**C. Notes from Direct Borrowings and Placements**

The following is a summary of notes and leases from direct borrowings and placements for the year ended December 31, 2022:

**Notes from Direct Borrowings and Placements**

	<b>Amount Issued</b>	<b>Amount Outstanding</b>
<b>Business-type activities</b>		
2019 Stormwater Notes Payable	<u>\$ 9,500,000</u>	<u>\$ 8,600,000</u>
Total notes from Direct Borrowings and Placements	<u>\$ 9,500,000</u>	<u>\$ 8,600,000</u>

In December 2019, the Town entered into a loan agreement with a financial institution in the amount of \$9,500,000, with an interest rate of 1.92%. The purpose of the loan was to finance Stormwater projects. As of December 31, 2022 the Town has received all \$9,500,000 of the proceeds. Principal payments are due annually on December 1, beginning in 2022. Interest payments are due semi-annually on June 1 and December 1. The loan is payable from the revenues of the Stormwater Fund. The Town drew funds based on the following schedule.

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

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

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**Notes Payable Debt Service Requirements to Maturity**

<b>Business-type Activities</b>			
<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2023	975,000	165,120	1,140,120
2024	1,000,000	146,400	1,146,400
2025	1,030,000	127,200	1,157,200
2026	1,060,000	107,424	1,167,424
2027	1,095,000	87,072	1,182,072
2028-2030	3,440,000	133,344	3,573,344
	<u>\$ 8,600,000</u>	<u>\$ 766,560</u>	<u>\$ 9,366,560</u>

**D. Interest Expense**

Total interest expense, excluding amortization and other debt related items, in the amount of \$1,079,961 and \$1,435,740 was charged to governmental type and business type funds, respectively, for the year ended December 31, 2022.

TOWN OF CASTLE ROCK, COLORADO

NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022

10. FUND BALANCE

	Non-major Special Revenue Funds							
	General	Transportation	Transportation	Conservation		Public Art	Police	
			Capital	Trust	P.S. Miller		Forfeiture	DDA TIF
<b>Nonspendable</b>	\$ 2,599,422	\$ 89,932	\$ -	\$ 2,054	\$ 1,478	\$ -	\$ -	\$ -
Prepaid Items	563,303	89,932	-	2,054	1,478	-	-	-
Loans to other funds (long-term portion)	2,036,119	-	-	-	-	-	-	-
<b>Restricted</b>	\$ 14,339,771	\$ 2,767,698	\$ 40,634,728	\$ 642,946	\$ -	\$ -	\$ 22,445	\$ -
TABOR Reserve	2,815,555	-	-	-	-	-	-	-
TABOR Excess	10,468,593	2,767,698	5,209,817	-	-	-	-	-
Advance grant payments received, not earned	1,055,623	-	-	-	-	-	-	-
Grants earned, not spent	-	-	-	-	-	-	22,445	-
Impact Fees	-	-	35,424,911	-	-	-	-	-
Lottery Funds	-	-	-	642,946	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-
Parking garage	-	-	-	-	-	-	-	-
<b>Committed</b>	\$ 8,866,834	\$ 17,265,756	\$ -	\$ 2,536,440	\$ 391,386	\$ 85,629	\$ -	\$ 2,684,642
Council designation of revenue sources	-	17,265,756	-	2,536,440	391,386	85,629	-	2,684,642
Contractual Obligations	445,763	-	-	-	-	-	-	-
Economic Development	7,303,306	-	-	-	-	-	-	-
Parking Fund	1,117,765	-	-	-	-	-	-	-
<b>Assigned</b>	\$ 11,242,850	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Project Carryforward	11,242,850	-	-	-	-	-	-	-
<b>Unassigned</b>	\$ 19,494,257	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cash reserve policy	14,566,014	-	-	-	-	-	-	-
Unappropriated	4,928,243	-	-	-	-	-	-	-
<b>Total Fund Balance</b>	<b>\$ 56,543,134</b>	<b>\$ 20,123,386</b>	<b>\$ 40,634,728</b>	<b>\$ 3,181,440</b>	<b>\$ 392,864</b>	<b>\$ 85,629</b>	<b>\$ 22,445</b>	<b>\$ 2,684,642</b>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

Non-major Special Revenue Funds			Non-major Capital Project Funds						Total Other	Total
Castle Rock Urban Renewal Authority	Parks and Rec Lodging Tax	Festival Park Commons GID	Parks and Recreation Capital	Municipal Facilities Capital	Fire Capital	Police Capital	General Long- Term Planning	Governmental Funds	Governmental Funds	
\$ -	\$ 768	\$ -	\$ 3,700,000	\$ 128,221	\$ -	\$ -	\$ -	\$ 3,832,521	\$ 6,521,875	
-	768	-	-	-	-	-	-	4,300	657,535	
-	-	-	3,700,000	128,221	-	-	-	3,828,221	5,864,340	
\$ -	\$ 493,701	\$ 53,484	\$ 12,569,450	\$ 1,790,868	\$ 721,008	\$ -	\$ -	\$ 16,293,903	\$ 74,036,100	
-	-	-	-	-	-	-	-	-	2,815,555	
-	-	-	-	-	-	-	-	-	18,446,108	
-	-	-	-	-	-	-	-	-	1,055,623	
-	-	-	-	-	-	-	-	22,445	22,445	
-	-	-	12,569,450	1,790,868	721,008	-	-	15,081,326	50,506,237	
-	493,701	-	-	-	-	-	-	642,946	642,946	
-	-	-	-	-	-	-	-	493,701	493,701	
-	-	53,484	-	-	-	-	-	53,484	53,484	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,177,895	\$ 11,875,992	
-	-	-	-	-	-	-	6,177,895	11,875,992	29,141,748	
-	-	-	-	-	-	-	-	-	445,763	
-	-	-	-	-	-	-	-	-	7,303,306	
-	-	-	-	-	-	-	-	-	1,117,765	
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,242,850	
-	-	-	-	-	-	-	-	-	11,242,850	
\$ (22,370)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (236,211)	\$ -	\$ (258,581)	\$ 19,235,676	
-	-	-	-	-	-	-	-	-	14,566,014	
(22,370)	-	-	-	-	-	(236,211)	-	(258,581)	4,669,662	
<b>\$ (22,370)</b>	<b>\$ 494,469</b>	<b>\$ 53,484</b>	<b>\$ 16,269,450</b>	<b>\$ 1,919,089</b>	<b>\$ 721,008</b>	<b>\$ (236,211)</b>	<b>\$ 6,177,895</b>	<b>\$ 31,743,834</b>	<b>\$ 149,045,082</b>	

# TOWN OF CASTLE ROCK, COLORADO

## NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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### 11. PENSION PLANS

Town employees are covered under one of the five different pension plans, depending on occupation. Four of the plans are the General Employee Plan, Sworn Police Officers Plan, Sworn Police Officers Statewide Defined Benefit Plan and the Fire Employees Statewide Defined Benefit Plan (SWDB). The Town Manager and the Town Attorney are covered under the Executive Defined Contribution Plan. In addition to the employee pension plans, the Town also participates in an agent multiple-employer defined benefit plan that covers its volunteer fire fighters under the Volunteer Fire Pension Plan. All plans and plan amendments are approved by Town Council as a single-employer, defined contribution plans, qualified under IRS guidelines, except one police pension plan, two fire pension plans, an agent multiple-employer defined benefit plan and a cost sharing multiple-employer defined benefit plan, respectively.

The following table summarizes each of the Town's FPPA plans and the respective pension activity recorded in the financials.

Plan	Net Pension Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Police	\$ (4,801,333)	\$ 2,812,449	\$ 5,573,859	\$ (820,717)
FPPA SWDB - Fire	(5,808,791)	3,830,517	4,334,163	(631,910)
Volunteer Firefighter	62,465	20,440	100,511	(53,600)
Totals	<u>\$ (10,547,659)</u>	<u>\$ 6,663,406</u>	<u>\$ 10,008,533</u>	<u>\$ (1,506,227)</u>

All plans are administered by outside trustees and, except for the Volunteer Fire Pension Plan, do not meet the standards of accounting principles generally accepted in the United States of America for inclusion as part of the reporting entity.

For purposes of measuring the net pension liability, net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Town Fire and Police Pension Plans and additions to/deductions from the Fire and Police Pension Plans fiduciary net position have been determined on the same basis as they are reported by the Fire and Police Pension Association of Colorado (FPPA). For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. All employees who participate in the FPPA plans are funded through the general fund and therefore the net pension liability or net pension asset are recorded at the government-wide level only.

A description of each plan and selected financial information follows.

#### A. General Employee Plan

A multi-employer defined contribution pension plan is maintained for all permanent full-time and part-time employees who work at least 20 hours per week on an annual basis. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Firefighters are excluded from the plan and are covered by a separate plan, as described in 11. E. Sworn Police Officers are excluded from the plan and are covered by separate plans, as described in 11. C & D. For 2022, the

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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plan requires mandatory employee pre-tax contributions to the plan of 4% of compensation. The Town also contributes 7% of each employees' compensation to the plan with the exception of the Town Manager and Town Attorney. As part of their employment contracts, the Town Manager and the Town Attorney receive an 11% contribution from the Town and do not have a mandatory employee contribution. The Town has no other obligations to fund this plan. Employees are permitted to contribute additional amounts beyond their 4% mandatory contribution into a deferred 457 plan. These additional amounts are invested in a deferred compensation plan pursuant to Internal Revenue Code (IRC) Section 457, see Note 12.

The plan requires employee participation in the plan immediately upon date of hire. Vesting of employer contributions are 100% after 1 year of employment. Unvested contributions for terminated employees are returned to the Town, net of servicing fees. Employees are fully vested for their contributions immediately. All administrative costs of the plans are borne by the participants of each plan.

Employer contributions are funded by the governmental and proprietary funds. The Town's contributions for 2022 were \$2,147,762. Town employees' mandatory contributions for 2022 were \$1,200,873.

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

#### **B. Executive Defined Contribution Plan**

In 2004, the Town agreed to adopt a qualified 401(a) Executive Defined Contribution plan as part of the employment contracts for the Town Manager and the Town Attorney. The Town contributed 9% of the covered employee's compensation into this plan. Vesting is based on years of service and an employee will not be fully vested until they have reached 10 years of service. The Town's contributions to the plan for the year ended December 31, 2022 were \$39,123, equal to the required contributions. Plan provisions and contribution requirements are established and administered by Mission Square Retirement and may be amended with the approval of Town Council.

#### **C. Sworn Police Officers Defined Contribution Plan**

In 2018, the Town's Sworn Police Officers were moved from the General Employee Plan and added to a new qualified 401(a) Money Purchase Retirement plan. For 2022, the plan requires mandatory employee pre-tax contributions to the plan of 5.6% of compensation. The Town also contributes 8.6% of each employees' compensation to the plan. The Town has no other obligations to fund this plan. Employees are permitted to contribute additional amounts beyond their 5.6% mandatory contribution into a deferred 457 plan. These additional amounts are invested in a deferred compensation plan pursuant to Internal Revenue Code (IRC) Section 457, see Note 12.

The plan requires employee participation in the plan immediately upon date of hire. Vesting of employer contributions are 100% after 1 year of employment. Unvested contributions for terminated employees are returned to the Town, net of servicing fees. Employees are fully vested for their contributions immediately. All administrative costs of the plans are borne by the participants of each plan.

Employer contributions are funded by the governmental funds. The Town's contributions for 2022 were \$135,470. Town employees' mandatory contributions for 2022 were \$81,495.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

#### **D. Sworn Police Officers – Statewide Defined Benefit Plan**

In March 2021 the Town of Castle Rock's sworn police officers were provided the option to participate in the Fire and Police Pension Association (FPPA) Statewide Defined Benefit Plan. The Town of Castle Rock's full-time sworn police officers who chose to opt into the plan, as well as full-time sworn police officers hired after entry into the plan, are members of the Statewide Defined Benefit Plan.

##### (a) Plan Description

The Town contributes to the Statewide Defined Benefit Plan (SWDB), which is a cost sharing multiple-employer defined benefit pension plan administered by the Fire and Police Pension Association of Colorado (FPPA). The Statewide Defined Benefit Plan provides retirement benefits for members and beneficiaries. Death and disability coverage is provided for plan members hired prior to January 1, 1997 through the Statewide Death and Disability Plan, which is also administered by FPPA. Plan provisions and contribution requirements are established and amended by FPPA. Colorado Statutes assign the authority to establish benefit provisions to the state legislature. FPPA issues a publicly available annual financial report that includes financial statements and required supplementary information for the Statewide Defined Benefit Plan and the Statewide Death and Disability Plan. The FPPA Annual Comprehensive Financial Report can be obtained on FPPA's website at: [www.fppaco.org/annual-reports.html](http://www.fppaco.org/annual-reports.html).

##### (b) Description of Benefits

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

The annual normal retirement benefit is 2 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent for each year of service thereafter. Benefits adjustments paid to retired members are evaluated annually and may be re-determined every October 1. The amount of any increase is based on the Board's discretion and can range from 0 to the higher of 3 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W).

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

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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#### (c) Contributions

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

Members of the SWDB plan and their employers are contributing at the rate of 12.0% and 9.0%, respectively, of base salary for the total contribution rate of 21.0% in 2022. Reentry members of the SWDB plan and their employers are contributing at a combined contribution rate of 24.5% in 2022, 3.5% above non-reentry groups. It is a local decision as to whether the member or employer pays the additional 3.5%. For full-time sworn police officers who opted to enter into the plan, member and employer contributions rates are 10.75% and 13.75%, respectively, of base salary for the total contribution rate of 24.5% in 2022. For sworn police officers hired after entry into the plan, member and employer contributions rates are 12.0% and 9.0%, respectively, of base salary for the total contribution rate of 21.0% in 2022, and a 1.60% continuing rate of contribution split 50/50 between employer and member. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022. Employer contributions will increase 0.5% annually beginning in 2021 through 2030.

The Town's contributions to the SWDB Police Plan for 2022 were \$752,870, equal to the required contribution for the year.

#### (d) Pension Asset

At December 31, 2022, the Town reported an asset of \$4,801,333 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021 and the total pension liability used to calculate the net pension asset was determined based upon the January 1, 2022 actuarial valuation, which was unchanged from December 31, 2021.

The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. The Town's proportion measured as of December 31, 2021, was 0.886%, which was an increase of 0.886% from its proportion measured as of December 31, 2020 since the Town began participating in this plan during 2021.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

For the year ended December 31, 2022, the Town recognized a reduction in pension expense for the SWDB of \$820,717. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,374,875	\$ 111,981
Changes in assumptions	684,704	-
Net difference between projected and actual investment earnings	-	3,213,322
Changes in proportion and differences between Town contributions and proportionate share of contributions	-	2,248,556
Town contributions subsequent to the measurement date	752,870	-
Total	<u>\$ 2,812,449</u>	<u>\$ 5,573,859</u>

The \$752,870 reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SWDB will be recognized in pension expense as follows:

Year ending December 31	Net Deferred Outflows (Inflows) Of Resources
2023	\$ (714,307)
2024	(1,046,685)
2025	(710,570)
2026	(401,512)
2027	5,430
Thereafter	(646,636)
Total	<u>\$ (3,514,280)</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

(f) Actuarial Assumptions

The January 1, 2022 actuarial valuations, based on the most recent actuarial study completed in 2018, used the following:

Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%
*Includes Inflation at	2.5%
Mortality	For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

No changes in Assumptions or benefit terms since the prior valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation (as of December 31, 2021) are summarized in the following table:

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

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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(g) Discount Rate

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

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Town’s net pension liability/(asset)	\$ (662,134)	\$ (4,801,333)	\$ (8,230,428)

(h) Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in FPPA’s Annual Report.

(i) Changes between the measurement date of the net pension liability and December 31, 2022

*Statewide Retirement Plan*

During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The merger will result in increased longer term stability for both plans in addition to simplification of administration, operation and communication benefits. The financial impact of the merger of plans is being determined.

*Actuarial Experience Study*

During 2022, FPPA engaged Gabriel, Roeder Smith & Co. to complete an actuarial experience study. The FPPA Board of Directors accepted the findings of the study at its July 28, 2022 meeting. The assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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#### E. Fire Employees - Statewide Defined Benefit Plan

##### (a) Plan Description

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

##### (b) Description of Benefits

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

##### (c) Contributions

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

Members of the SWDB plan and their employers are contributing at the rate of 12.0% and 9.0%, respectively, of base salary for the total contribution rate of 21.0% in 2022. In 2014, the members elected to increase the member contribution rate to the SWDB plan beginning in 2015. Member contribution rates will increase 0.5% annually through 2022 to a total of 12% of base salary. Employer contributions will increase 0.5% annually beginning in 2021 through 2030 to a total of 13.0% of pensionable earnings.

The Town's contribution to the SWDB for the year ending December 31, 2022 was \$889,200, equal to the required contribution for the year.

##### (d) Pension Asset

At December 31, 2022, the Town reported an asset of \$5,808,791 for its proportionate share of the net pension asset. The net pension asset was measured as of December 31, 2021 and the total pension liability used to calculate the net pension asset was determined based upon the January 1, 2022 actuarial valuation, which was unchanged from December 31, 2021.

The Town's proportion of the net pension asset was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. The Town's proportion measured as of December 31, 2021, was 1.072%, which was a decrease of 0.038% from its proportion measured as of December 31, 2020.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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

For the year ended December 31, 2022, the Town recognized a reduction of pension expense for the SWDB of \$631,910. At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,663,363	\$ 135,477
Changes in assumptions	828,375	-
Net difference between projected and actual investment earnings	-	3,887,570
Changes in proportion and differences between Town contributions and proportionate share of contributions	449,579	311,116
Town contributions subsequent to the measurement date	889,200	-
Total	<u>\$ 3,830,517</u>	<u>\$ 4,334,163</u>

The \$889,200 reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended December 31, 2023. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SWDB will be recognized in pension expense as follows:

Year ending December 31	Net Deferred Outflows (Inflows) Of Resources
2023	\$ (503,172)
2024	(905,294)
2025	(494,068)
2026	(114,655)
2027	372,398
Thereafter	251,945
Total	<u>\$ (1,392,846)</u>

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

(f) Actuarial Assumptions

The January 1, 2022 actuarial valuations, based on the most recent actuarial study completed in 2018, used the following:

Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%
*Includes Inflation at	2.5%
Mortality	For determining the total pension liability, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2014 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

No changes in Assumptions or benefit terms since the prior valuation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation (as of December 31, 2021) are summarized in the following table:

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

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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(g) Discount Rate

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

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.00 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Town’s net pension liability/(asset)	\$ (801,068)	\$ (5,808,791)	\$ (9,957,410)

(h) Pension Plan Fiduciary Net Position

Detailed information about the pension plan’s fiduciary net position is available in FPPA’s Annual Report.

(i) Changes between the measurement date of the net pension liability and December 31, 2022

*Statewide Retirement Plan*

During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023. The merger will result in increased longer term stability for both plans in addition to simplification of administration, operation and communication benefits. The financial impact of the merger of plans is being determined.

*Actuarial Experience Study*

During 2022, FPPA engaged Gabriel, Roeder Smith & Co. to complete an actuarial experience study. The FPPA Board of Directors accepted the findings of the study at its July 28, 2022 meeting. The assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**DECEMBER 31, 2022**

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**F. Volunteer Firefighters’ Pension Plan**

(a) Plan Description – Benefits Provided

The Town participates in an agent multiple-employer defined benefit pension plan that covers its volunteer firefighters. The plan is administered and benefit provisions are executed by FPPA. This plan provides retirement benefits as well as death and disability benefits. The Town’s volunteer firefighters become fully vested after 20 years of active service and reaching age 50. The benefit, payable at age 50, would be equal to the retirement benefit prorated based upon the number of years of service accrued at termination. Surviving spouses of deceased retirees are entitled to 50% of the retirement benefit until remarriage or their death. Pre-retirement death and disability benefits are only available if incurred in the line of duty. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. The FPPA Annual Comprehensive Financial Report can be obtained on FPPA’s website at: [www.fppaco.org/annual-reports.html](http://www.fppaco.org/annual-reports.html). The volunteer firefighters’ pension plan is closed to new entrants.

(b) Contributions

Volunteer Plan participants are not compensated and do not contribute to the plan. The Volunteer Firefighters’ Pension Plan receives contributions from the Town in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado contributes up to ninety percent of the Town’s contribution. The State’s contribution does not meet the definition of a special funding situation as defined by GASB 68 and is considered a discretionary contribution. The State’s contribution must not exceed the greater of the actuarially determined contribution or the highest State contribution during the years 1998 through 2001, which was \$17,635 in 2000. The actuarial study as of January 1, 2021, indicated that the current level of contributions to the fund is adequate to support on an actuarially sound basis, the prospective benefits for the present Plan. For the year ended December 31, 2022, the Town and State contributions were \$20,440 and \$17,635 respectively.

(c) Members Covered by Benefit Terms

Membership covered by benefit terms at December 31, 2022:

Retirees and Beneficiaries	20
Active Members	<u>1</u>
Total	21

(d) Pension Liability

At December 31, 2022, the Town reported a net pension liability of \$62,465. The net pension liability was measured as of December 31, 2021. The total pension liability used to calculate the net pension liability was determined based upon the January 1, 2021 actuarial valuation.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

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#### (e) Actuarial Assumptions

The January 1, 2021 actuarial valuation based on the most recent experience study completed in 2018 used the following:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	5-Year Smoothed Fair Value
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	<p><b>Pre-retirement:</b> 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years, 50% multiplier for off-duty mortality.</p> <p><b>Post-retirement:</b> 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p> <p><b>Disabled:</b> 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p>

No changes in assumptions.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2021 are summarized in the following table:

Asset Class	Target Allocation	Expected Rate of Return
Cash	2.0%	2.32%
Fixed Income - Rates	10.0%	4.00%
Fixed Income - Credit	5.0%	5.25%
Absolute Return	10.0%	5.60%
Long Short	8.0%	6.87%
Global Equity	39.0%	8.23%
Private Markets	26.0%	10.63%
Total	100.0%	

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS**

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(f) Single Discount Rate

A single discount rate of 7.00% was used to measure the total pension liability. The single discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%. The projection of cash flows used to determine this single discount rate assumes that all actuarially determined contributions will be made. The plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(g) Changes in Net Pension Liability

**Total Pension Liability**

Service Cost	\$ 1,095
Interest on the Total Pension Liability	76,592
Benefit changes	-
Difference between expected and actual experience of the Total Pension Liability	-
Changes in assumptions	-
Benefit Payments	(109,924)
<b>Net Change in Total Pension Liability</b>	<u>(32,237)</u>
<b>Total Pension Liability - Beginning</b>	<u>1,147,662</u>
<b>Total Pension Liability - Ending</b>	<u>\$ 1,115,425</u>

**Plan Fiduciary Net Pension**

Employer Contribution	\$ 20,440
Net Investment Income	139,501
Benefit Payments	(109,924)
Pension Plan Administrative Expenses	(6,089)
State of Colorado Supplemental Discretionary Payment	35,270
<b>Net Change in Plan Fiduciary Net Pension</b>	<u>79,198</u>
<b>Plan Fiduciary Net Position – Beginning (Fair value of assets at beginning of year)</b>	<u>973,762</u>
<b>Plan Fiduciary Net Position – Ending (Fair value of assets at end of year)</b>	<u>\$ 1,052,960</u>
<b>Net Pension Liability</b>	<u>\$ 62,465</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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(g) Changes in Net Pension Liability (continued)

Regarding the sensitivity of the net pension liability to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 7.00%, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 6.00%	Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Town's net pension liability (asset)	\$ 164,393	\$ 62,465	\$ (24,356)

(h) Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued FPPA financial reports online at [www.fppaco.org/annual-reports.html](http://www.fppaco.org/annual-reports.html)

(i) Pension Expense

For the year ended December 31, 2022, the Town recognized pension income of \$53,600.

(j) Pension Deferred Outflows/Inflows of Resources

At December 31, 2022, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ (100,511)
Town contributions subsequent to the measurement date	20,440	-
Total	<u>\$ 20,440</u>	<u>\$ (100,511)</u>

The \$20,440 reported as deferred outflows of resources related to the Volunteer pension plan resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2023.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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

Year ending December 31	Net Deferred Outflows (Inflows) Of Resources
2023	\$ (23,431)
2024	(37,591)
2025	(24,808)
2026	(14,681)
Total	<u>\$ (100,511)</u>

#### 12. DEFERRED COMPENSATION PLANS

The Town provides employees deferred compensation plans created in accordance with IRC Section 457. These plans permit employees to defer a portion of their salary until future years.

The general employee plan is administered and benefit provisions are amended through ICMA. All full-time and part-time employees who are covered by the ICMA general employees defined contribution pension plan are eligible to participate in the ICMA deferred compensation plan. There are no contributions made by the Town.

A second IRC 457 plan is established with Colorado County Officials and Employees Retirement Association (CCOERA). The plan is administered and benefit provisions are amended through CCOERA. This plan is only available to those employees who were eligible to participate in the CCOERA defined contribution pension plan. There are no contributions made by the Town.

A third plan is available to fire employees who meet the eligibility requirements for FPPA membership. This plan is administered and benefit provisions are amended through FPPA. The Town contributes 3% of each paid fire fighter's salary. Employee participation in the 457 plans is optional. For the year ended December 31, 2022, the Town contributions were \$296,617.

Deferred Compensation is only available to employees upon termination, retirement, death or unforeseeable emergency. Each plan's trustee manages investments. Several investment options are available to participants.

#### 13. RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, theft, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS

DECEMBER 31, 2022

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The Town has agreed to partially self-insure claims for health insurance of Town employees to a maximum liability of \$110,000 per covered person. For insured risks, settlements have not exceeded the aggregate coverage during the past three years.

Self-insurance activities are accounted for in the accounts payable line item of the Employee Benefits Fund. The basis for estimating the liabilities of unpaid claims is by using actuarial projection techniques. Changes in claims payable were as follows:

	<u>2022</u>	<u>2021</u>
Claims payable, January 1	\$ 563,000	\$ 651,116
Incurred claims	6,729,751	6,518,651
Claims paid	<u>(6,705,751)</u>	<u>(6,606,767)</u>
Claims payable, December 31	<u>\$ 587,000</u>	<u>\$ 563,000</u>

For excess liability, property and workers compensation claims, the Town is involved with the Colorado Intergovernmental Risk Sharing Agency (CIRSA), a separate and independent governmental and legal entity formed by an intergovernmental agreement by member municipalities pursuant to the provision of 24-10-115.5, Colorado Revised Statutes (1982 Replacement Volume) and Colorado Constitution, Article XIV, Section 18(2).

The purpose of CIRSA is to provide members defined liability and property coverage and to provide assistance in prevention of loss to municipal property and to personal injury.

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

CIRSA is a separate legal entity and the Town does not approve budgets nor does it have the ability to significantly affect the operations of the unit.

In 2022, the Town's CIRSA deductibles per occurrence were:

Liability	\$ 100,000
Auto Liability	\$ 5,000
Property	\$ 100,000
Auto Physical Damage	\$ 100,000

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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#### 14. COMMITMENTS AND CONTINGENCIES

##### Committed Construction

As of December 31, 2022, the Town had unexpended construction related commitments of \$84,357,215.

##### Federal Programs

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Town expects such amounts, if any, to be immaterial.

##### Litigation

Although the Town is subject to pending and threatened litigation, the Town's Management and the Town Attorney believe that all lawsuits and claims, which have been filed against the Town, are either adequately covered by insurance or the final settlement of uninsured matters will not have a materially adverse effect on the financial position of the Town.

##### Taxpayer Bill of Rights (TABOR)

In November 1992, Colorado voters approved a State Constitutional Amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues) without a vote of the local citizens. The key mechanisms for restraining growth without a vote are: 1) the prohibition of revenue and expenditure growth other than for inflation and a component for new construction growth, 2) the prohibition of new taxes or higher tax rates, 3) the prohibition of new debt, and 4) the refunding of any revenues collected in excess of the revenue limitations.

Castle Rock voters have approved certain revenue exemptions. These exemptions include: 1) a \$.0075 exemption of sales and motor vehicle taxes approved in 1994 to be used for streets, trails, bridges and sidewalks, 2) a \$.004 exemption of sales and motor vehicle taxes approved in 1995 to be used for transportation and the community center, and 3) approved in 2005, an exemption of all transportation impact fees and all building use taxes to be used for transportation and the community center.

In November 2021, the voters approved the Town to use excess revenues from 2021 through 2031 solely for police, fire protection, emergency medical services, roads and other transportation purposes. As of December 31, 2022 \$18,446,108 is available for these purposes.

TABOR further requires the Town to establish a TABOR emergency reserve of at least 3% of fiscal year spending (excluding bonded debt service). This reserve was recorded in the General Fund as reserved fund balance of \$2,815,555 as of December 31, 2022. Use of the TABOR reserve is limited to extreme disasters and any use of the reserve must be replaced within one year. Local governments are prohibited from use of these emergency reserves to compensate for economic conditions, revenue shortfalls, salary or benefit increases.

The Town's management believes the Town is in compliance with the provisions of TABOR.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**15. INTERFUND TRANSACTIONS**

Transactions that are representative of lending / borrowing arrangements which were outstanding at the end of the year are referred to as “Loans to / from Other Funds” or “interfund loans”. Any residual balances outstanding between the governmental activities and business-type activities are reported in the Town-wide financial statements as “internal balances”. Eliminations are made in interfund activities, payables and receivables. All internal balances in the Town-wide Statement of Net Position have been eliminated except those representing balances between the governmental activities and business-type activities, which are reported as internal balances and are eliminated in the total column. In the Statement of Activities, internal service fund transactions have been eliminated. Transactions between governmental and business-type activities are not eliminated.

**INTERFUND LOANS**

**REPORTING FUND**

<b>Fund loan from / to</b>	<b>Purpose</b>	<b>Receivable</b>	<b>Payable</b>
<b>GOVERNMENTAL FUNDS</b>			
<b>General</b>			
Police Capital	Impact fees - reimburse General Fund for growth related construction	\$ 606,015	\$ -
Fire Capital	Crystal Valley Fire Station	892,039	-
Water Resources	Metzler Park turf replacement	-	897,928
Golf	Debt service reserve	500,815	-
Golf	Golf maintenance equipment	436,655	-
<b>Economic Development</b>			
Urban Renewal Authority	Operating costs	51,072	-
Total General Fund		<u>2,486,596</u>	<u>897,928</u>
<b>Other Governmental Funds</b>			
<b>Conservation Trust</b>			
Parks Capital	Mitchell Gulch Park project	-	3,700,000
Total Conservation Trust Fund		<u>-</u>	<u>3,700,000</u>
<b>Parks Capital</b>			
Conservation Trust	Mitchell Gulch Park project	3,700,000	-
Total Parks Capital Fund		<u>3,700,000</u>	<u>-</u>
<b>Facilities Capital</b>			
Police Capital	Police Department basement renovation	128,221	-
Total Facilities Capital Fund		<u>128,221</u>	<u>-</u>
<b>Fire Capital</b>			
General	Crystal Valley Fire Station	-	892,039
Total Fire Capital		<u>-</u>	<u>892,039</u>
<b>Police Capital</b>			
General	Impact fees - reimburse General Fund for growth related construction	-	606,015
Facilities Capital	Police Department basement renovation	-	128,221
Total Police Capital Fund		<u>-</u>	<u>734,236</u>
<b>Urban Renewal Authority</b>			
Economic Development	Operating costs	-	51,072
Total Other Governmental Funds		<u>3,828,221</u>	<u>5,377,347</u>
Total Governmental Funds		<u>6,314,817</u>	<u>6,275,275</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**INTERFUND LOANS (continued)**

**REPORTING FUND**

<b>Fund loan from / to</b>	<b>Purpose</b>	<b>Receivable</b>	<b>Payable</b>
<b>ENTERPRISE FUNDS</b>			
<b>Water Resources</b>			
General	Metzler Park turf replacement	897,928	-
Total Water Resources Fund		897,928	-
<b>Golf</b>			
General	Debt service reserve	-	500,815
General	Golf maintenance equipment	-	436,655
Total Golf Fund		-	937,470
Total Enterprise Funds		897,928	937,470
Total All Funds		\$ 7,212,745	\$ 7,212,745

**TRANSFERS**

**REPORTING FUND**

<b>Fund transfer from / to</b>	<b>Purpose</b>	<b>Transfer In</b>	<b>Transfer Out</b>
<b>GOVERNMENTAL FUNDS</b>			
<b>General</b>			
Parking	Funding for Public Safety events and maintenance of parking garages	-	105,435
TABOR Excess Revenue	2021 TABOR Fund excess supplemental appropriation to fund roads	-	8,500,000
Transportation	Funding for sidewalks, quiet zone and Public Safety events	902,419	-
PS Miller	Funding for special events	-	175,000
DDA TIF	Interfund loan interest	184	-
Fire Capital	Interfund loan interest	17,701	-
Police Capital	Interfund loan interest	11,328	-
General Long Term Planning	Funding for replacement of PD equipment	-	600,000
Golf	Interfund loan interest	13,607	-
Water Resources	Interfund loan interest	-	17,664
Community Center	Funding for quiet zone and Public Safety events	49,875	-
<b>Parking</b>			
General	Funding for Public Safety Events and maintenance of parking garages	105,435	-
Transportation	Funding for Public Safety Events and maintenance of parking garages	116,690	-
DDA TIF	Parking units assessments	150,000	-
Community Center	Funding for Public Safety events and maintenance of parking garages	7,875	-
<b>TABOR Excess Revenue</b>			
General	2021 TABOR fund excess supplemental appropriation to fund roads	8,500,000	-
Transportation	2021 TABOR fund excess supplemental appropriation to fund roads	5,641,727	5,641,727
Fire Capital	2021 TABOR fund excess supplemental appropriation to fund roads	500,000	-
Total General Fund		16,016,841	15,039,826

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

<b>TRANSFERS (continued)</b>			
<b>REPORTING FUND</b>			
<b>Fund transfer from / to</b>	<b>Purpose</b>	<b>Transfer In</b>	<b>Transfer Out</b>
<b>Transportation</b>			
General	Funding for sidewalks, quiet zone and Public Safety events	-	902,419
Parking	Funding for Public Safety Events and maintenance of parking garages	-	116,690
TABOR Excess Revenue	2021 TABOR fund excess supplemental appropriation to fund roads	5,641,727	5,641,727
Fleet	Purchase of new vehicles	-	71,800
Transportation Capital	Funding to support Transportation Capital fund projects	-	3,350,000
Total Transportation Fund		<u>5,641,727</u>	<u>10,082,636</u>
<b>Transportation Capital</b>			
Transportation	Funding to support Transportation Capital fund projects	<u>3,350,000</u>	-
Total Transportation Capital Fund		<u>3,350,000</u>	-
<b>Other Governmental Funds</b>			
<b>Conservation Trust</b>			
Parks Capital	Reallocation of Plum Creek North project expenses	93,908	-
Parks Capital	Interfund loan interest	-	4,714
Water	Reallocation of Cell Tower revenue	56,066	-
<b>PS Miller</b>			
General Fund	Funding for special events	175,000	-
<b>DDA TIF</b>			
General	Interfund loan interest	-	184
Parking	Funding for parking units assessments	-	150,000
<b>Parks Capital</b>			
Conservation Trust	Reallocation of Plum Creek North project expenses	-	93,908
Conservation Trust	Interfund loan interest	4,714	-
<b>Municipal Facilities Capital</b>			
Police Capital	Interfund loan interest	2,291	-
<b>Fire Capital</b>			
General	Interfund loan interest	-	17,701
TABOR Excess Revenue	2021 TABOR fund excess supplemental appropriation to fund roads	-	500,000
Fleet	Purchase of new vehicles	-	1,043,077
<b>Police Capital</b>			
General	Interfund loan interest	-	11,328
Municipal Facilities Capital	Interfund loan interest	-	2,291
Fleet	Purchase of new vehicles	-	434,389
<b>General Long Term Planning</b>			
General	Funding for replacement of PD equipment	600,000	-
Total Other Governmental Funds		<u>931,979</u>	<u>2,257,592</u>
Total Governmental Funds		<u>25,940,547</u>	<u>27,380,054</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

		<b>TRANSFERS (continued)</b>	
<b>REPORTING FUND</b>			
<b>Fund transfer from / to</b>	<b>Purpose</b>	<b>Transfer In</b>	<b>Transfer Out</b>
<b>ENTERPRISE FUNDS</b>			
<b>Water</b>			
Conservation Trust	Reallocation of Cell Tower Revenue	-	56,066
Fleet	Purchase of new vehicles	-	159,975
Total Water Fund		-	216,041
<b>Water Resources</b>			
General Fund	Interfund loan interest	17,664	-
Total Water Resources Fund		17,664	-
<b>Stormwater</b>			
Wastewater	Reallocation of revenue	231,324	-
Total Stormwater Fund		231,324	-
<b>Wastewater</b>			
Stormwater	Reallocation of revenue	-	231,324
Total Wastewater Fund		-	231,324
<b>Golf</b>			
General	Interfund loan interest	-	13,607
Community Center	Funding for youth golf program	26,667	-
Total Golf Fund		26,667	13,607
<b>Community Center</b>			
General	Funding for quiet zone and Public Safety events	-	49,875
Parking	Funding for Public Safety events and maintenance of parking garages	-	7,875
Golf	Funding for youth golf program	-	26,667
Total Community Center Fund		-	84,417
Total Enterprise Funds		275,655	545,389
<b>INTERNAL SERVICE FUNDS</b>			
<b>Fleet</b>			
Transportation	Purchase of new vehicles	71,800	-
Fire Capital	Purchase of new vehicles	1,043,077	-
Police Capital	Purchase of new vehicles	434,389	-
Water	Purchase of new vehicles	159,975	-
Total Fleet Fund		1,709,241	-
	Total All Funds	<u>\$ 27,925,443</u>	<u>\$ 27,925,443</u>

## TOWN OF CASTLE ROCK, COLORADO

### NOTES TO THE BASIC FINANCIAL STATEMENTS DECEMBER 31, 2022

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In 2002, the Town established the Parks, Municipal Facilities, Fire, Police, and Recreation Capital Funds. Prior to 2002, these activities were accounted for in the General Fund. At the point of the transfer, certain projects completed by the General Fund were expected to be reimbursed by development impact fees that are collected in the capital funds. To assure reimbursement of the costs, the Town recorded loans between the General Fund and the capital funds. Since the expenditures had already occurred, this resulted in the capital project funds showing fund deficits in prior years. Currently, only the Police Capital Project Fund remains in deficit from these loans.

In 2017, the Town recorded a loan from the General Fund to the Fire Capital Fund of \$3,000,000 to partially fund the construction of the Crystal Valley Fire Station.

In 2022, the Town recorded a loan from the General Fund to the Golf Fund of \$541,816 to fund the golf course maintenance equipment.

In 2022, the Town recorded a loan from the Parks Capital Fund to the Conservation Trust Fund of \$3,700,000 to fund the Mitchell Gulch Park project.

#### 16. DEFICIT FUND BALANCES

On December 31, 2022, the Police Capital Fund had a fund deficit of \$236,211. This will be eliminated with the repayment of the loans from the collection of future development impact fees.

On December 31, 2022, CRURA had a fund deficit of \$22,370. This will be eliminated with the repayment of the loan from future administration fees collected by the URA.

#### 17. TAX ABATEMENTS

The Town enters into public finance agreements with developers in order to create jobs, expand the tax base, encourage existing businesses to make capital investments, and spur new office, industrial, and retail expansion and development. Town ordinances authorize abatements of incremental sales tax and property tax revenues for public finance agreements. For the year ended December 31, 2022, the Town abated approximately \$1,359,496 in sales taxes and approximately \$421,637 in property taxes under this program.

#### 18. DISCRETELY-PRESENTED COMPONENT UNITS

##### Castle Rock Downtown Development Authority (CRDDA)

As of December 31, 2022, all of the CRDDA's deposits were either insured by the FDIC or held in eligible depositories.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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Capital assets activity for the CRDDA for the year ended December 31, 2022 was as follows:

	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets being depreciated				
Improvements	\$ 124,532	\$ 29,735	\$ -	\$ 154,267
Total capital assets being depreciated	<u>124,532</u>	<u>29,735</u>	<u>-</u>	<u>154,267</u>
Lease assets being amortized				
Buildings	47,509	-	-	47,509
Total lease assets being amortized	<u>47,509</u>	<u>-</u>	<u>-</u>	<u>47,509</u>
Capital asset accumulated depreciation	(111,354)	(6,155)	-	(117,509)
Lease asset accumulated amortization	<u>(18,840)</u>	<u>(9,829)</u>	<u>-</u>	<u>(28,669)</u>
Total accumulated depreciation	<u>(130,194)</u>	<u>(15,984)</u>	<u>-</u>	<u>(146,178)</u>
CRDDA capital assets, net	<u>\$ 41,847</u>	<u>\$ 13,751</u>	<u>\$ -</u>	<u>\$ 55,598</u>

\*Beginning balance was restated due to implementation of GASB Statement No. 87.

In January 2020, CRDDA entered into a sublease agreement in which CRDDA will sublease two offices for the period of January 2020 through December 2024. As of December 31, 2022, CRDDA recognized a lease liability and an intangible right-to-use lease asset.

	<u>Beginning Balance*</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due in One Year</u>
Lease Payable	\$ 29,231	\$ -	\$ 9,779	\$ 19,452	\$ 10,088
Total	<u>\$ 29,231</u>	<u>\$ -</u>	<u>\$ 9,779</u>	<u>\$ 19,452</u>	<u>\$ 10,088</u>

\*Beginning balance was restated due to implementation of GASB Statement No. 87.

CRDDA restated beginning net position in order to properly reflect long-term sale agreement of capital assets and to properly adopt GASB Statement No. 87, *Leases*. The schedule below outlines the impact of these items on beginning net position.

Net Position, as of December 31, 2021	\$ 860,169
Restatement for the long term sale of capital assets	(50,000)
Implementation of GASB Statement No. 87	<u>(559)</u>
Net Position, restated as of December 31, 2021	<u>\$ 809,610</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

Miller's Landing Business Improvement District (BID)

As of December 31, 2022, all of the Miller's Landing BID's deposits were insured by FDIC coverage and PDPA collateral.

Capital assets activity for the Miller's Landing BID for the year ended December 31, 2022 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
Capital assets not being depreciated				
Construction in progress	\$ 14,132,362	\$ 261,730	\$ -	\$ 14,394,092
Total capital assets not being depreciated	<u>14,132,362</u>	<u>261,730</u>	<u>-</u>	<u>14,394,092</u>
Miller's Landing BID capital assets, net	<u>\$ 14,132,362</u>	<u>\$ 261,730</u>	<u>\$ -</u>	<u>\$ 14,394,092</u>

The following is an analysis of changes in long-term obligations for the Miller's Landing BID for the year ended December 31, 2022:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Bonds Payable					
Series 2018A	\$ 8,065,000	\$ -	\$ 105,000	\$ 7,960,000	\$ 115,000
Series 2018B	13,185,000	-	180,000	13,005,000	200,000
Notes from Direct Borrowing					
Developer Advance - Operating	642,205	56,135	-	698,340	-
Developer Advance - Debt	768,239	1,708,822	-	2,477,061	-
Developer Advance - Capital	2,778,346	261,730	2,602,525	437,551	-
Developer Advance - Interest	812,481	187,153	536,537	463,097	-
	<u>\$ 26,251,271</u>	<u>\$ 2,213,840</u>	<u>\$ 3,424,062</u>	<u>\$ 25,041,049</u>	<u>\$ 315,000</u>

Miller's Landing BID has yet established a revenue base sufficient to pay operational expenditures. Until an independent revenue base is established, continuation of operations in the District will be dependent upon funding by the developer.

**19. RELATED PARTY TRANSACTIONS**

The Castle Rock Council members are on the boards of various organizations in the region, including the Castle Rock Chamber of Commerce, Castle Rock Economic Partnership, Castle Rock Economic Development Council, Castle Rock Fire Volunteer Pension Board, Chatfield Watershed Authority, Cherry Creek Basin Water Quality Authority, Colorado Municipal League Policy Committee, Denver Regional Council of Governments, Douglas County Housing Partnership, Douglas County Youth Initiative, Downtown Development Authority, Downtown Merchants Association, Metro Mayors Caucus, and Partnership of Douglas County Governments. In addition, the Director of Parks and Recreation is on the board of Rueter Hess Recreation Authority.

**TOWN OF CASTLE ROCK, COLORADO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

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The Town made payments of the following amounts to these organizations in 2022:

Related Party Transactions

Castle Rock Chamber of Commerce	\$ 113,334
Castle Rock Economic Development Council	226,892
Chatfield Watershed Authority	75,510
Colorado Municipal League	24,657
Denver Regional Council of Governments	8,300
Douglas County Housing Partnership	35,000
Douglas County Youth Initiative	19,800
Downtown Development Authority	201,116
Downtown Merchants Association	75,000
Rueter Hess Recreation Authority	221,000

**20. TRANSFER OF OPERATIONS**

Under an intergovernmental agreement between the Town of Castle Rock (Town) and the Consolidated Bell Mountain Ranch Metropolitan District, the Town agreed to provide water service to the Bell Mountain Ranch Subdivisions for the purpose of achieving economies of scale. On November 1, 2022, the Consolidated Bell Mountain Ranch Metropolitan District transferred the assets of its water service operations to the Town. As a result of the transfer, the Town recognized the following assets:

<b>Transferred Assets (Net)</b>	<b><u>Carrying Values</u></b>
Land	\$ 304,993
Water rights	1,396,350
Infrastructure	1,909,868
	<u>\$ 3,611,211</u>

The useful life of the infrastructure was adjusted to five years based on expectations of how long the assets will be used without replacement or significant improvements.



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## **Supplementary Information**

**Required Supplementary Information**

**Combining and Individual Fund Statements and Schedules**



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## **Required Supplementary Information**

*Schedule of Changes in Net Pension Liability/(Asset) and Related Ratios for the Volunteer Firefighters' Pension Plan*

*Schedule of Contributions for the Volunteer Firefighters' Pension Plan*

*Schedule of Contributions for the Statewide Defined Benefit Pension Plan - Fire*

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

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

*Schedule of Revenues and Expenditures and Changes in Funds Available*

*General Fund*

*Transportation Fund*

*Note to Required Supplementary Information*

TOWN OF CASTLE ROCK, COLORADO

SCHEDULE OF CHANGES IN NET PENSION LIABILITY/(ASSET) AND RELATED RATIOS  
 FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)  
 VOLUNTEER FIRE PENSION PLAN  
 LAST TEN YEARS (to be built prospectively)

Measurement period ending December 31,	<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Total Pension Liability</b>			
Service Cost	\$ 1,095	\$ 1,095	\$ 1,095
Interest on the Total Pension Liability	76,592	76,186	78,496
Benefit Changes	-	-	-
Difference between Expected and Actual Experience	-	39,791	-
Assumption Changes	-	-	-
Benefit Payments	(109,924)	(112,590)	(112,590)
<b>Net Change in Total Pension Liability (Asset)</b>	<u>(32,237)</u>	<u>4,482</u>	<u>(32,999)</u>
<b>Total Pension Liability - Beginning</b>	<u>1,147,662</u>	<u>1,143,180</u>	<u>1,176,179</u>
<b>Total Pension Liability - Ending (a)</b>	<u>\$ 1,115,425</u>	<u>\$ 1,147,662</u>	<u>\$ 1,143,180</u>
<b>Plan Fiduciary Net Position</b>			
Employer Contributions	\$ 20,440	\$ 20,440	\$ 20,440
Pension Plan Net Investment Income	139,501	113,648	124,499
Benefit Payments	(109,924)	(112,590)	(112,590)
Pension Plan Administrative Expense	(6,089)	(4,814)	(6,857)
State of Colorado supplemental discretionary payment	35,270	17,635	-
<b>Net Change in Plan Fiduciary Net Position</b>	<u>79,198</u>	<u>34,319</u>	<u>25,492</u>
<b>Plan Fiduciary Net Position - Beginning</b>	<u>973,762</u>	<u>939,443</u>	<u>913,951</u>
<b>Plan Fiduciary Net Position - Ending (b)</b>	<u>\$ 1,052,960</u>	<u>\$ 973,762</u>	<u>\$ 939,443</u>
<b>Net Pension Liability - Ending (a) - (b)</b>	<u>\$ 62,465</u>	<u>\$ 173,900</u>	<u>\$ 203,737</u>
<b>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</b>	94.40%	84.85%	82.18%
<b>Covered Payroll</b>	N/A	N/A	N/A
<b>Net Pension Liability as a Percentage of Covered Payroll</b>	N/A	N/A	N/A

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

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

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

TOWN OF CASTLE ROCK, COLORADO

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

	<u>2022</u>	<u>2021**</u>	<u>2020</u>
Actuarially determined contributions	\$ 26,473	\$ 25,013	\$ 25,013
Contributions in relation to the actuarially determined contribution *	38,075	55,710	38,075
Contribution deficiency (excess)	<u>\$ (11,602)</u>	<u>\$ (30,697)</u>	<u>\$ (13,062)</u>
Town's covered payroll	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A

\*Includes both employer contributions and State of Colorado Supplemental Discretionary Payment for all years except 2019. For 2019, this includes employer contributions only.

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

**Notes to Schedule**

Actuarially determined contribution rates are calculated as of January 1 of odd number years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2021 determines the contribution amounts for 2022 and 2023

**Methods and Assumptions Used to Determine Contribution Rates:**

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 Years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.5%
Salary Increases	N/A
Investment Rate of Return	7.0%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	<p>Pre-retirement: 2006 central rates from the RP-2014 Employee Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all year, 50% multiplier for off-duty mortality.</p> <p>Post-retirement: 2006 central rates from the RP-2014 Annuitant Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p> <p>Disabled: 2006 central rates from the RP-2014 Disabled Mortality Tables for males and females projected to 2018 using the MP-2017 projection scales, and then projected prospectively using the ultimate rates of the scale for all years.</p>

\* Plans that are heavily weighted with retiree liabilities use an amortization period based on the expected remaining lifetime of the participants.

<b>2019*</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 25,867	\$ 25,867	\$ 18,141	\$ 18,141	\$ 12,770
20,440	38,075	38,075	38,075	38,075
<u>\$ 5,427</u>	<u>\$ (12,208)</u>	<u>\$ (19,934)</u>	<u>\$ (19,934)</u>	<u>\$ (25,305)</u>
N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A

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

**TOWN OF CASTLE ROCK, COLORADO**

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

	*	
	2022	2021
Statutorily required contributions	\$ 889,200	\$ 733,443
Contributions in relation to the statutorily required contribution	889,200	733,443
Contribution deficiency (excess)	\$ -	\$ -
Town's covered payroll	\$ 9,880,000	\$ 8,628,741
Contributions as a percentage of covered payroll	9.0%	8.5%

\* The amounts presented as of the current year end, December 31, 2022.

**Methods and Assumptions Used to Determine Contribution:**

Actuarial valuations done every year. Actuarial assumptions as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Actuarial Valuation Date	January 1, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%
*Includes Inflation at	2.5%

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

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

*Changes in actuarial assumptions effective for 2019:* The real return on investments assumption was reduced from 5.0% to 4.50% while the inflation assumption remained unchanged at 2.50% for a reduced overall nominal investment return of 7.00% from 7.50%. In addition, the productivity component of the salary scale assumption increased from 1.50% to 1.75%; when combined with the 2.50% inflation rate, this creates an ultimate salary scale assumption of 4.25%. For demographic assumptions, the blue collar adjustment was removed from the mortality tables being used and the mortality projection scale was updated from Scale BB to the ultimate rates of the MP-2017 projection scale. In addition, disability rates were increased for members covered by a defined benefit program and retirement rates were slightly modified to reflect increased retirement utilization for low service members and slightly decreased normal retirement rates after age 55.

*Changes in actuarial assumptions effective for 2016:* The inflation assumption was reduced from 3.0% to 2.5% while the real return on investments was increased to 5.0% from 4.5% for an overall nominal investment return of 7.5% which is unchanged from the prior year. In addition, an explicit charge for administrative expenses was added in the actuarial contribution calculation, the base mortality tables were revised with the explicit assumption for increasing longevity in the future to reflect current mortality studies and the expected incidence of total disability was increased.

*Changes in actuarial assumptions effective for 2014:* The married assumption for active members was increased from 80% to 85% to reflect the passage of the Colorado Civil Union Act.

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

<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
\$ 713,149	\$ 574,390	\$ 596,522	\$ 530,936	\$ 505,553	\$ 476,284
713,149	574,390	596,522	530,936	505,553	476,284
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 8,914,365	\$ 7,179,869	\$ 7,456,522	\$ 6,636,696	\$ 6,319,413	\$ 5,953,555
8.0%	8.0%	8.0%	8.0%	8.0%	8.0%

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

**TOWN OF CASTLE ROCK, COLORADO**

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
 FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)  
 STATEWIDE DEFINED BENEFIT PENSION PLAN - FIRE  
 LAST TEN FISCAL YEARS (to be built prospectively)**

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	*	
	<u>2022</u>	<u>2021</u>
Town's proportion of the net pension liability (asset)	1.072%	1.110%
Town's proportionate share of the net pension liability (asset)	\$ (5,808,791)	\$ (2,409,475)
Town's covered payroll	\$ 8,628,741	\$ 8,914,365
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-67.319%	-27.029%
Plan fiduciary net position as a percentage of the total pension liability	116.165%	106.720%

\* The amounts presented as of the measurement date, December 31, 2021.

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

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<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
0.974%	1.113%	1.135%	1.235%	1.228%	1.232%
\$ (550,949)	\$ 1,407,329	\$ (1,632,323)	\$ 446,175	\$ (21,650)	\$ (1,390,185)
\$ 7,179,869	\$ 7,456,522	\$ 6,636,696	\$ 6,319,413	\$ 5,953,555	\$ 5,602,212
-7.674%	18.874%	-24.595%	7.060%	-0.364%	-24.815%
101.937%	95.235%	106.339%	98.213%	100.095%	106.828%

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

**TOWN OF CASTLE ROCK, COLORADO**

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

	*	**
	2022	2021
Statutorily required contributions	\$ 752,870	\$ 466,336
Contributions in relation to the statutorily required contributor	752,870	466,336
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Town's covered payroll	\$ 7,097,802	\$ 4,549,620
Contributions as a percentage of covered payroll	10.61%	10.25%

\* The amounts presented as of the current year end, December 31, 2022

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

**Methods and Assumptions Used to Determine Contribution:**

Actuarial valuations done every year. Actuarial assumptions as of January 1, 2021 were used in the determination of the actuarially determined contributions as of December 31, 2021, which represents contributions required in 2022.

Actuarial Valuation Date	January 1, 2021
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%
*Includes Inflation at	2.5%

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

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

**TOWN OF CASTLE ROCK, COLORADO**

**SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (ASSET)  
FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)  
STATEWIDE DEFINED BENEFIT PENSION PLAN - POLICE  
LAST TEN FISCAL YEARS (to be built prospectively)**

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	*
	<u>2022</u>
Town's proportion of the net pension liability (asset)	0.886%
Town's proportionate share of the net pension liability (asset)	\$ (4,801,333)
Town's covered payroll	\$ 4,549,620
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	-105.533%
Plan fiduciary net position as a percentage of the total pension liability	116.165%

\* The amounts presented as of the measurement date, December 31, 2021.

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund			
	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 51,952,292	\$ 51,952,292	\$ 60,967,184	\$ 9,014,892
Charges for services	2,658,673	2,658,673	2,790,785	132,112
Management fees	4,205,990	4,205,990	4,205,990	-
Licenses and permits	133,816	133,816	202,036	68,220
Fines and forfeitures	391,764	391,764	230,738	(161,026)
Investment earnings	368,383	368,383	(38,133)	(406,516)
Intergovernmental	2,488,612	2,488,612	421,992	(2,066,620)
Contributions and donations	1,336,000	1,336,000	66,881	(1,269,119)
Leases	-	268,954	257,701	(11,253)
Other	478,308	618,308	345,878	(272,430)
Total revenues	64,013,838	64,422,792	69,451,052	5,028,260
<b>EXPENDITURES</b>				
General government				
Town council	382,381	387,943	384,690	3,253
Town manager	8,617,165	8,811,918	7,893,428	918,490
Town attorney	1,145,619	1,162,444	993,231	169,213
Finance	4,486,881	4,862,846	4,443,168	419,678
Municipal court	467,163	475,612	393,987	81,625
Long-range planning	690,788	697,652	498,848	198,804
Total general government	15,789,997	16,398,415	14,607,352	1,791,063
Public Safety				
Police	19,189,817	19,723,589	19,462,379	261,210
Fire	17,807,120	19,097,419	19,169,439	(72,020)
Total public safety	36,996,937	38,821,008	38,631,818	189,190
Culture and recreation				
Parks and open space	5,451,649	5,557,657	5,024,880	532,777
Total culture and recreation	5,451,649	5,557,657	5,024,880	532,777
Capital outlay				
	4,949,528	13,964,725	3,395,028	10,569,697
Debt Service				
Interest	-	-	-	-
Agency fees	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	63,188,111	74,741,805	61,659,078	13,082,727
Excess (deficiency) of revenues over (under) expenditures	825,727	(10,319,013)	7,791,974	18,110,987
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan principal	1,049,570	1,157,933	1,154,731	(3,202)
Interfund loan interest	62,748	69,250	42,820	(26,430)
Transfers in	719,259	804,022	952,294	148,272
Interfund loan	-	(541,809)	(541,816)	(7)
Interfund loan principal	(46,336)	(131,099)	(131,100)	(1)
Interfund loan interest	(17,664)	(17,664)	(17,664)	-
Transfers out	(1,462,144)	(10,060,190)	(9,380,435)	679,755
Total other financing sources (uses)	305,433	(8,719,557)	(7,921,170)	798,387
Net change in funds available	1,131,160	(19,038,570)	(129,196)	18,909,374
Funds available - January 1	29,786,490	38,440,274	38,440,274	-
Funds available - December 31	\$ 30,917,650	\$ 19,401,704	\$ 38,311,078	\$ 18,909,374
<b>RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE</b>				
Loans to other funds			2,435,524	
Loans from other funds			(897,928)	
Fund balance - December 31			\$ 39,848,674	

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

Economic Development				Parking			
Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
Original	Final			Original	Final		
\$ 650,000	\$ 650,000	\$ 2,491,173	\$ 1,841,173	\$ 200,000	\$ 200,000	\$ 79,307	\$ (120,693)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
84,088	84,088	(66,276)	(150,364)	1,219	1,219	2,070	851
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	149,908	149,908	-	-	20,423	20,423
734,088	734,088	2,574,805	1,840,717	201,219	201,219	101,800	(99,419)
-	-	-	-	-	-	-	-
851,684	1,351,684	804,594	547,090	230,000	230,000	54,834	175,166
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
851,684	1,351,684	804,594	547,090	230,000	230,000	54,834	175,166
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	339,400	339,400	339,400	-
-	-	-	-	-	-	2,000	(2,000)
-	-	-	-	339,400	339,400	341,400	(2,000)
851,684	1,351,684	804,594	547,090	569,400	569,400	396,234	173,166
(117,596)	(617,596)	1,770,211	2,387,807	(368,181)	(368,181)	(294,434)	73,747
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	230,000	1,330,000	380,000	(950,000)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	230,000	1,330,000	380,000	(950,000)
(117,596)	(617,596)	1,770,211	2,387,807	(138,181)	961,819	85,566	(876,253)
1,117,596	5,533,095	5,533,095	-	982,069	1,032,199	1,032,199	-
\$ 1,000,000	\$ 4,915,499	\$ 7,303,306	\$ 2,387,807	\$ 843,888	\$ 1,994,018	\$ 1,117,765	\$ (876,253)
		51,072	-			-	-
		\$ 7,354,378				\$ 1,117,765	

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	TABOR Excess			
	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-
Management fees	-	-	-	-
Licenses and permits	-	-	-	-
Fines and forfeitures	-	-	-	-
Investment earnings	-	-	-	-
Intergovernmental	-	-	-	-
Contributions and donations	-	-	-	-
Leases	-	-	-	-
Other	-	-	-	-
Total revenues	-	-	-	-
<b>EXPENDITURES</b>				
General government				
Town council	-	-	-	-
Town manager	-	1,000,000	153,400	846,600
Town attorney	-	-	-	-
Finance	-	-	-	-
Municipal court	-	-	-	-
Long-range planning	-	-	-	-
Total general government	-	1,000,000	153,400	846,600
Public Safety				
Police	-	-	-	-
Fire	-	-	-	-
Total public safety	-	-	-	-
Culture and recreation				
Parks and open space	-	-	-	-
Total culture and recreation	-	-	-	-
Capital outlay	-	2,000,000	624,283	1,375,717
Debt Service				
Interest	-	-	-	-
Agency fees	-	-	-	-
Total debt service	-	-	-	-
Total expenditures	-	3,000,000	777,683	2,222,317
Excess (deficiency) of revenues over (under) expenditures	-	(3,000,000)	(777,683)	2,222,317
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan principal	-	-	-	-
Interfund loan interest	-	-	-	-
Transfers in	-	14,641,727	14,641,727	-
Interfund loan	-	-	-	-
Interfund loan principal	-	-	-	-
Interfund loan interest	-	-	-	-
Transfers out	-	(5,641,727)	(5,641,727)	-
Total other financing sources (uses)	-	9,000,000	9,000,000	-
Net change in funds available	-	6,000,000	8,222,317	2,222,317
Funds available - January 1	-	-	-	-
Funds available - December 31	\$ -	\$ 6,000,000	\$ 8,222,317	\$ 2,222,317
<b>RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE</b>				
Loans to other funds			-	
Loans from other funds			-	
Fund balance - December 31			\$ 8,222,317	

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

Total General Fund			
Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
Original	Final		
\$ 52,802,292	\$ 52,802,292	\$ 63,537,664	\$ 10,735,372
2,658,673	2,658,673	2,790,785	132,112
4,205,990	4,205,990	4,205,990	-
133,816	133,816	202,036	68,220
391,764	391,764	230,738	(161,026)
453,690	453,690	(102,339)	(556,029)
2,488,612	2,488,612	421,992	(2,066,620)
1,336,000	1,336,000	66,881	(1,269,119)
-	268,954	257,701	(11,253)
478,308	618,308	516,209	(102,099)
<u>64,949,145</u>	<u>65,358,099</u>	<u>72,127,657</u>	<u>6,769,558</u>
382,381	387,943	384,690	3,253
9,698,849	11,393,602	8,906,256	2,487,346
1,145,619	1,162,444	993,231	169,213
4,486,881	4,862,846	4,443,168	419,678
467,163	475,612	393,987	81,625
690,788	697,652	498,848	198,804
<u>16,871,681</u>	<u>18,980,099</u>	<u>15,620,180</u>	<u>3,359,919</u>
19,189,817	19,723,589	19,462,379	261,210
17,807,120	19,097,419	19,169,439	(72,020)
<u>36,996,937</u>	<u>38,821,008</u>	<u>38,631,818</u>	<u>189,190</u>
5,451,649	5,557,657	5,024,880	532,777
<u>5,451,649</u>	<u>5,557,657</u>	<u>5,024,880</u>	<u>532,777</u>
4,949,528	15,964,725	4,019,311	11,945,414
339,400	339,400	339,400	-
-	-	2,000	(2,000)
-	339,400	341,400	(2,000)
<u>64,269,795</u>	<u>79,662,889</u>	<u>63,637,589</u>	<u>16,025,300</u>
679,350	(14,304,790)	8,490,068	22,794,858
1,049,570	1,157,933	1,154,731	(3,202)
62,748	69,250	42,820	(26,430)
949,259	16,775,749	15,974,021	(801,728)
-	(541,809)	(541,816)	(7)
(46,336)	(131,099)	(131,100)	(1)
(17,664)	(17,664)	(17,664)	-
<u>(1,462,144)</u>	<u>(15,701,917)</u>	<u>(15,022,162)</u>	<u>679,755</u>
<u>535,433</u>	<u>1,610,443</u>	<u>1,458,830</u>	<u>(151,613)</u>
1,214,783	(12,694,347)	9,948,898	22,643,245
31,886,155	45,005,568	45,005,568	-
<u>\$ 33,100,938</u>	<u>\$ 32,311,221</u>	<u>\$ 54,954,466</u>	<u>\$ 22,643,245</u>
		2,486,596	
		(897,928)	
		<u>\$ 56,543,134</u>	

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

TOWN OF CASTLE ROCK, COLORADO

TRANSPORTATION FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Sales taxes	\$ 14,998,011	\$ 14,998,011	\$ 17,220,944	\$ 2,222,933
Building use taxes	2,803,639	2,803,639	3,363,579	559,940
Vehicle use taxes	2,348,951	2,348,951	3,400,026	1,051,075
Charges for services	-	-	85	85
Investment earnings	112,865	112,865	78,331	(34,534)
Intergovernmental	8,069,414	8,069,414	10,160,581	2,091,167
Contributions and donations	-	153,863	320,500	166,637
Other	5,155	5,155	45,225	40,070
Total revenues	28,338,035	28,491,898	34,589,271	6,097,373
<b>EXPENDITURES</b>				
Administration	482,826	488,985	503,693	(14,708)
Street operations	4,940,991	14,515,467	12,742,695	1,772,772
Traffic operations	4,073,426	4,366,989	4,035,186	331,803
Public transit	92,626	92,626	77,371	15,255
Engineering	2,051,759	2,712,049	2,243,104	468,945
Street improvement program	18,500,000	9,080,000	7,919,738	1,160,262
Transportation planning	-	-	1,659	(1,659)
Total public works	30,141,628	31,256,116	27,523,446	3,732,670
Capital outlay	1,115,950	6,301,054	4,129,209	2,171,845
<b>DEBT SERVICE</b>				
Principal	690,000	690,000	690,000	-
Interest	217,400	217,400	217,400	-
Agency fees	-	-	300	(300)
Total debt service	907,400	907,400	907,700	(300)
Total expenditures	32,164,978	38,464,570	32,560,355	5,904,215
Excess (deficiency) of revenues over (under) expenditures	(3,826,943)	(9,972,672)	2,028,916	12,001,588
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	5,641,727	5,641,727	-
Transfers out	(4,563,205)	(10,616,992)	(10,082,636)	534,356
Total other financing sources (uses)	(4,563,205)	(4,975,265)	(4,440,909)	534,356
Net change in funds available	(8,390,148)	(14,947,937)	(2,411,993)	12,535,944
Funds available - January 1	13,708,679	22,535,379	22,535,379	-
Funds available - December 31	\$ 5,318,531	\$ 7,587,442	\$ 20,123,386	\$ 12,535,944

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

## TOWN OF CASTLE ROCK, COLORADO

### NOTE TO REQUIRED SUPPLEMENTARY INFORMATION DECEMBER 31, 2022

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#### 1. Budgets and Budgetary Accounting

Annual appropriations are adopted for all funds.

For the governmental funds, the Town budgets on a basis consistent with generally accepted accounting principles (GAAP), except that interfund loans are treated as revenues of the receiving fund and expenditures of the loaning fund in the year that the loan is made. Principal payments of interfund loans are treated as expenditures of the paying fund and revenues of the receiving fund.

For proprietary funds, the Town budgets on a basis consistent with GAAP except as follows: (1) purchases of capital assets are reported expenditures (capital outlay), (2) debt service principal payments are treated as budgetary expenditures, (3) proceeds from bond issues are treated as revenues, (4) bond issue and discount costs are treated as expenditures of the period, (5) amortization and depreciation of capital assets are not budgeted and (6) interfund loans are treated as revenues of the receiving fund and expenditures of the loaning fund in the year that the loan is made. Principal payments of interfund loans are treated as expenditures of the paying fund and revenues of the receiving fund.

The Town follows these procedures in establishing the budgetary data reflected in the financial statements:

(a) Prior to November 1, the Town Manager submits to the Town Council a proposed operating and capital budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.

(b) Public hearings are conducted at Town Council Meetings to obtain taxpayer comments.

(c) The Town's mill levy is formally certified to the Douglas County Treasurer prior to December 15, based on the budget.

(d) Prior to December 31, the budget is legally enacted through passage of an ordinance. Adoption of the budget ordinance constitutes appropriations of amounts specified therein as expenditures from the funds indicated. If during the year, the Town Manager certifies that there are revenues available for appropriation in excess of those estimated in the budget, the Council may, by ordinance, make supplemental appropriations for the year up to the amount of such excess. If during the year, the Town Manager determines that the revenues available will be insufficient to meet the amount appropriated, the Council may by ordinance reduce one or more appropriations. At any time during the year, the Town Manager may transfer part or all of any unencumbered appropriation balance amount between departments within a fund.

(e) Expenditures may not legally exceed budgeted appropriations at the fund level. Appropriations may not legally exceed estimated revenues and budgetary fund balances (reserves) estimated as available.

(f) All appropriations lapse at year-end.



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## **Supplemental Information**

*Combining and Individual Fund Statements and Schedules*

## **GENERAL FUND**

### **General Fund**

The General Fund is the primary operating fund of the Town. This fund accounts for all financial resources of the Town except those required to be accounted for in another fund. There are three sub-funds of the General Fund: Economic Development, Parking and TABOR Excess. Economic Development is used to facilitate expansion of the tax base, through primary job creation and improved local economy. Parking is used to account for public parking garage maintenance and debt payments related to the Encore Redevelopment Agreement. TABOR Excess is used to account for revenues in excess of the TABOR cap from 2021 through 2031 as approved by voters.

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND  
COMBINING BALANCE SHEET  
DECEMBER 31, 2022

	General Fund	Economic Development Fund	Parking Fund	TABOR Excess Fund	Total General Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 26,738,170	\$ 3,078,408	\$ 1,123,864	\$ 8,418,783	\$ 39,359,225
Investments	11,601,209	4,211,208	-	-	15,812,417
Restricted cash and investments	1,055,623	-	-	-	1,055,623
Receivables					
Property taxes	1,492,318	-	-	-	1,492,318
Sales taxes	5,966,366	-	-	-	5,966,366
Accounts, net of allowance of \$438,104	1,928,465	14,830	2,761	-	1,946,056
Prepaid items	563,303	-	-	-	563,303
Loans to other funds	2,435,524	51,072	-	-	2,486,596
Total assets	<u>\$ 51,780,978</u>	<u>\$ 7,355,518</u>	<u>\$ 1,126,625</u>	<u>\$ 8,418,783</u>	<u>\$ 68,681,904</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>					
Liabilities					
Accounts payable	\$ 3,401,993	\$ 1,140	\$ 8,417	\$ 165,392	\$ 3,576,942
Retainage payable	60,184	-	443	31,074	91,701
Deposits	3,486,169	-	-	-	3,486,169
Unearned revenues	2,568,727	-	-	-	2,568,727
Loans from other funds	897,928	-	-	-	897,928
Total liabilities	<u>10,415,001</u>	<u>1,140</u>	<u>8,860</u>	<u>196,466</u>	<u>10,621,467</u>
Deferred inflows of resources					
Property taxes	1,492,318	-	-	-	1,492,318
Unavailable fund resources	24,985	-	-	-	24,985
Total liabilities and deferred inflows of resources	<u>11,932,304</u>	<u>1,140</u>	<u>8,860</u>	<u>196,466</u>	<u>12,138,770</u>
Fund balances (deficits)					
Nonspendable	2,548,350	51,072	-	-	2,599,422
Restricted	6,117,454	-	-	8,222,317	14,339,771
Committed	445,763	7,303,306	1,117,765	-	8,866,834
Assigned	11,242,850	-	-	-	11,242,850
Unassigned	19,494,257	-	-	-	19,494,257
Total fund balances	<u>39,848,674</u>	<u>7,354,378</u>	<u>1,117,765</u>	<u>8,222,317</u>	<u>56,543,134</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 51,780,978</u>	<u>\$ 7,355,518</u>	<u>\$ 1,126,625</u>	<u>\$ 8,418,783</u>	<u>\$ 68,681,904</u>

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	General Fund	Economic Development Fund	Parking Fund	TABOR Excess Fund	Total General Funds
<b>REVENUES</b>					
Taxes	\$ 60,967,184	\$ 2,491,173	\$ 79,307	\$ -	\$ 63,537,664
Charges for services	2,790,785	-	-	-	2,790,785
Management fees	4,205,990	-	-	-	4,205,990
Licenses and permits	202,036	-	-	-	202,036
Fines and forfeitures	230,738	-	-	-	230,738
Investment earnings	(38,133)	(66,276)	2,070	-	(102,339)
Intergovernmental	421,992	-	-	-	421,992
Contributions and donations	66,881	-	-	-	66,881
Leases	257,701	-	-	-	257,701
Other	345,878	149,908	20,423	-	516,209
Total revenues	69,451,052	2,574,805	101,800	-	72,127,657
<b>EXPENDITURES</b>					
Current					
General government	14,607,352	804,594	54,834	153,400	15,620,180
Public safety	38,631,818	-	-	-	38,631,818
Public works					
Culture and recreation	5,024,880	-	-	-	5,024,880
Capital outlay	3,395,028	-	-	624,283	4,019,311
Debt service					
Interest	-	-	339,400	-	339,400
Agency fees	-	-	2,000	-	2,000
Total expenditures	61,659,078	804,594	396,234	777,683	63,637,589
Excess (deficiency) of revenues over (under) expenditures	7,791,974	1,770,211	(294,434)	(777,683)	8,490,068
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers in	995,114	-	380,000	14,641,727	16,016,841
Transfers out	(9,398,099)	-	-	(5,641,727)	(15,039,826)
Total other financing sources (uses)	(8,402,985)	-	380,000	9,000,000	977,015
Net change in fund balance	(611,011)	1,770,211	85,566	8,222,317	9,467,083
Fund balances - January 1	40,459,685	5,584,167	1,032,199	-	47,076,051
Fund balances - December 31	\$ 39,848,674	\$ 7,354,378	\$ 1,117,765	\$ 8,222,317	\$ 56,543,134

## **OTHER GOVERNMENTAL FUNDS**

The statements that follow combine the non-major governmental funds as “other governmental funds”. These totals are comprised of non-major special revenue funds and non-major capital project funds, which are aggregated into the “Other Governmental Funds” column. Also included are major capital project funds Schedule of Revenues, Expenditures and Changes in Funds Available Budget and Actual (Non-GAAP Budgetary Basis).

### **Non-major Special Revenue Funds**

Special revenue funds account for revenues from specific sources that are legally or by management decision required to be used for particular activities. This column combines all non-major special revenue funds.

### **Major Capital Project Funds**

Capital project funds account for financial resources used for the construction and acquisition of major capital projects such as streets and parks.

### **Non-major Capital Project Funds**

Capital project funds account for financial resources used for the construction and acquisition of major capital projects such as information systems and Town facilities. This column aggregates all non-major capital project funds of the Town.

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR GOVERNMENTAL FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2022

	Non-major Special Revenue	Non-major Capital Funds	Total Other Governmental Funds
<b>ASSETS</b>			
Cash and cash equivalents	\$ 10,783,430	\$ 19,193,667	\$ 29,977,097
Investments	48,319	4,474,649	4,522,968
Cash held in escrow	1,277,599	-	1,277,599
Receivables			
Property taxes	255,749	-	255,749
Accounts receivable	762,435	16,233	778,668
Leases	840,283	-	840,283
Prepaid items	4,300	-	4,300
Loans to other funds	-	3,828,221	3,828,221
Total assets	<u>\$ 13,972,115</u>	<u>\$ 27,512,770</u>	<u>\$ 41,484,885</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 695,546	\$ 733,907	\$ 1,429,453
Retainage payable	200,464	301,357	501,821
Unearned revenues	1,317,599	-	1,317,599
Loans from other funds	3,751,072	1,626,275	5,377,347
Total liabilities	<u>5,964,681</u>	<u>2,661,539</u>	<u>8,626,220</u>
Deferred inflows of resources			
Property taxes	255,749	-	255,749
Unavailable fund resources	39,240	-	39,240
Leases	819,842	-	819,842
Total liabilities and deferred inflows of resources	<u>7,079,512</u>	<u>2,661,539</u>	<u>9,741,051</u>
Fund balances (deficits)			
Nonspendable	4,300	3,828,221	3,832,521
Restricted	1,212,576	15,081,326	16,293,902
Committed	5,698,097	6,177,895	11,875,992
Unassigned	(22,370)	(236,211)	(258,581)
Total fund balances (deficits)	<u>6,892,603</u>	<u>24,851,231</u>	<u>31,743,834</u>
Total liabilities and fund balances	<u>\$ 13,972,115</u>	<u>\$ 27,512,770</u>	<u>\$ 41,484,885</u>

**TOWN OF CASTLE ROCK, COLORADO**

**NON-MAJOR GOVERNMENTAL FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Non-major Special Revenue</b>	<b>Non-major Capital Funds</b>	<b>Total Other Governmental Funds</b>
<b>REVENUES</b>			
Taxes	\$ 3,109,192	\$ 1,982,239	\$ 5,091,431
Charges for services	444,137	-	444,137
Development impact fees	-	7,526,672	7,526,672
Licenses and permits	170,973	-	170,973
Investment earnings	14,149	9,690	23,839
Lease interest	30,498	-	30,498
Intergovernmental	2,593,791	-	2,593,791
Contributions and donations	864,000	-	864,000
Leases	27,358	-	27,358
Other	1,277	112,919	114,196
Total revenues	<u>7,255,375</u>	<u>9,631,520</u>	<u>16,886,895</u>
<b>EXPENDITURES</b>			
General government	931,452	1,497,420	2,428,872
Public safety	-	8,085	8,085
Culture and recreation	1,034,594	305,588	1,340,182
Capital Outlay	4,898,012	3,242,542	8,140,554
Debt Service			
Principal	-	415,000	415,000
Interest	-	294,413	294,413
Agency fees	-	2,000	2,000
Total expenditures	<u>6,864,058</u>	<u>5,765,048</u>	<u>12,629,106</u>
Excess (deficiency) of revenues over (under) expenditures	<u>391,317</u>	<u>3,866,472</u>	<u>4,257,789</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers in	324,974	607,005	931,979
Transfers out	(154,898)	(2,102,694)	(2,257,592)
Total other financing sources (uses)	<u>170,076</u>	<u>(1,495,689)</u>	<u>(1,325,613)</u>
Net change in fund balances	561,393	2,370,783	2,932,176
Fund balances - January 1	<u>6,331,210</u>	<u>22,480,448</u>	<u>28,811,658</u>
Fund balances - December 31	<u>\$ 6,892,603</u>	<u>\$ 24,851,231</u>	<u>\$ 31,743,834</u>

## **NON-MAJOR SPECIAL REVENUE FUNDS**

Special revenue funds account for revenues from specific sources that are legally or by management decision required to be used for specific activities.

### **Conservation Trust Fund**

The Conservation Trust Fund accounts for lottery proceeds that are received directly from the State of Colorado or received from Douglas County through a share-back agreement and for fees charged for the use of sports and multi-purpose fields. The monies collected are used for the development and renovation of qualifying parks, recreation facilities and parks infrastructure.

### **Philip S. Miller Trust Fund**

This fund accounts for donations made to the Town from the Philip S. Miller Trust. These funds are used to finance community service programs including financial support for the senior center, the museum, and the local chamber of commerce.

### **Public Art Fund**

This fund is supported by the Philip S. Miller Trust Fund and accounts for public art endeavors within the Town of Castle Rock; it is managed by the Town Council.

### **Police Forfeiture Fund**

This fund accounts for funds received and expended as the result of State or Federal cooperative efforts. Funds are only expended if they are received.

### **Downtown Development Authority TIF Fund**

The Downtown Development Authority TIF Fund (DDA TIF Fund) was established in 2015. The tax increment is the sales and property tax amount received in the Downtown Castle Rock area that is greater than the established base that was set in 2008. This revenue increment is eligible to be placed in the DDA TIF Fund and is allowed for certain, Council-approved uses.

### **Castle Rock Urban Renewal Authority**

The Castle Rock Urban Renewal Authority (CRURA) facilitates investment and redevelopment of blighted areas within the Town of Castle Rock. CRURA is a blended component unit.

### **Parks and Rec Lodging Tax**

This fund accounts for the lodging tax of 6% imposed on all sales of lodging. Lodging tax revenues are restricted for the use of parks and recreation.

### **Festival Park Commons GID**

The Festival Park Commons General Improvement District (GID) was formed to finance, construct and on occasion, operate various public improvements. The Festival Park Commons GID is a blended component unit. This fund accounts for the GID's tax revenues which serve as a source of funding for development and maintenance of the Encore parking garage.

**TOWN OF CASTLE ROCK, COLORADO**

**NON-MAJOR SPECIAL REVENUE FUNDS**

**COMBINING BALANCE SHEET**

**DECEMBER 31, 2022**

	<u>Conservation Trust</u>	<u>Philip S. Miller Trust</u>	<u>Public Art</u>	<u>Police Forfeiture</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,620,858	\$ 377,353	\$ 106,259	\$ 22,445
Investments	5,245	23,775	19,299	-
Cash held in escrow	1,277,599	-	-	-
Receivables				
Property taxes	-	-	-	-
Accounts receivable	718,802	196	71	-
Leases	840,283	-	-	-
Prepaid items	2,054	1,478	-	-
Total assets	<u>\$ 9,464,841</u>	<u>\$ 402,802</u>	<u>\$ 125,629</u>	<u>\$ 22,445</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities				
Accounts payable	\$ 246,256	\$ 9,938	\$ -	\$ -
Retainage payable	200,464	-	-	-
Unearned revenues	1,277,599	-	40,000	-
Loans from other funds	3,700,000	-	-	-
Total liabilities	<u>5,424,319</u>	<u>9,938</u>	<u>40,000</u>	<u>-</u>
Deferred inflows of resources				
Property taxes	-	-	-	-
Unavailable fund resources	39,240	-	-	-
Leases	819,842	-	-	-
Total liabilities and deferred inflows of resources	<u>6,283,401</u>	<u>9,938</u>	<u>40,000</u>	<u>-</u>
Fund balances				
Nonspendable	2,054	1,478	-	-
Restricted	642,946	-	-	22,445
Committed	2,536,440	391,386	85,629	-
Unassigned	-	-	-	-
Total fund balances (deficits)	<u>3,181,440</u>	<u>392,864</u>	<u>85,629</u>	<u>22,445</u>
Total liabilities and fund balances	<u>\$ 9,464,841</u>	<u>\$ 402,802</u>	<u>\$ 125,629</u>	<u>\$ 22,445</u>

<b>Downtown Development Authority TIF</b>	<b>Castle Rock Urban Renewal Authority</b>	<b>Parks and Rec Lodging Tax</b>	<b>Festival Park Commons GID</b>	<b>Total Non-major Special Revenue Funds</b>
\$ 3,106,279	\$ 28,702	\$ 468,434	\$ 53,100	\$ 10,783,430
-	-	-	-	48,319
-	-	-	-	1,277,599
-	-	-	255,749	255,749
-	-	42,982	384	762,435
-	-	-	-	840,283
-	-	768	-	4,300
<u>\$ 3,106,279</u>	<u>\$ 28,702</u>	<u>\$ 512,184</u>	<u>\$ 309,233</u>	<u>\$ 13,972,115</u>
\$ 421,637	\$ -	\$ 17,715	\$ -	\$ 695,546
-	-	-	-	200,464
-	-	-	-	1,317,599
-	51,072	-	-	3,751,072
<u>421,637</u>	<u>51,072</u>	<u>17,715</u>	<u>-</u>	<u>5,964,681</u>
-	-	-	255,749	255,749
-	-	-	-	39,240
-	-	-	-	819,842
<u>421,637</u>	<u>51,072</u>	<u>17,715</u>	<u>255,749</u>	<u>7,079,512</u>
-	-	768	-	4,300
-	-	493,701	53,484	1,212,576
2,684,642	-	-	-	5,698,097
-	(22,370)	-	-	(22,370)
<u>2,684,642</u>	<u>(22,370)</u>	<u>494,469</u>	<u>53,484</u>	<u>6,892,603</u>
<u>\$ 3,106,279</u>	<u>\$ 28,702</u>	<u>\$ 512,184</u>	<u>\$ 309,233</u>	<u>\$ 13,972,115</u>

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR SPECIAL REVENUE FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Conservation Trust	Philip S. Miller Trust	Public Art	Police Forfeiture
<b>REVENUES</b>				
Licenses and permits	\$ 170,973	\$ -	\$ -	\$ -
Taxes	-	-	-	-
Charges for services	-	443,074	-	-
Investment earnings	13,369	(278)	516	433
Lease interest	30,498	-	-	-
Intergovernmental	2,593,791	-	-	-
Contributions and donations	624,000	215,000	25,000	-
Leases	27,358	-	-	-
Other	-	1,268	9	-
Total revenues	3,459,989	659,064	25,525	433
<b>EXPENDITURES</b>				
General government	-	-	-	-
Culture and recreation	205,262	748,980	6,322	-
Capital outlay	4,744,552	-	30,000	-
Total expenditures	4,949,814	748,980	36,322	-
Excess (deficiency) of revenues over (under) expenditures	(1,489,825)	(89,916)	(10,797)	433
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	149,974	175,000	-	-
Transfers out	(4,714)	-	-	-
Total other financing sources (uses)	145,260	175,000	-	-
Net change in fund balances	(1,344,565)	85,084	(10,797)	433
Fund balance (deficits) - January 1	4,526,005	307,780	96,426	22,012
Fund balances (deficits) - December 31	\$ 3,181,440	\$ 392,864	\$ 85,629	\$ 22,445

<b>Downtown Development Authority TIF</b>	<b>Castle Rock Urban Renewal Authority</b>	<b>Parks and Rec Lodging Tax</b>	<b>Festival Park Commons GID</b>	<b>Total Non-major Special Revenue Funds</b>
\$ -	\$ -	\$ -	\$ -	\$ 170,973
2,363,127	-	691,959	54,106	3,109,192
-	1,063	-	-	444,137
-	-	-	109	14,149
-	-	-	-	30,498
-	-	-	-	2,593,791
-	-	-	-	864,000
-	-	-	-	27,358
-	-	-	-	1,277
<u>2,363,127</u>	<u>1,063</u>	<u>691,959</u>	<u>54,215</u>	<u>7,255,375</u>
930,204	517	-	731	931,452
-	-	74,030	-	1,034,594
-	-	123,460	-	4,898,012
<u>930,204</u>	<u>517</u>	<u>197,490</u>	<u>731</u>	<u>6,864,058</u>
<u>1,432,923</u>	<u>546</u>	<u>494,469</u>	<u>53,484</u>	<u>391,317</u>
-	-	-	-	324,974
(150,184)	-	-	-	(154,898)
<u>(150,184)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,076</u>
1,282,739	546	494,469	53,484	561,393
1,401,903	(22,916)	-	-	6,331,210
<u>\$ 2,684,642</u>	<u>\$ (22,370)</u>	<u>\$ 494,469</u>	<u>\$ 53,484</u>	<u>\$ 6,892,603</u>

**TOWN OF CASTLE ROCK, COLORADO**

**CONSERVATION TRUST FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgets		Budgetary Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Licenses and permits	\$ 146,232	\$ 146,232	\$ 170,973	\$ 24,741
Investment earnings	2,807	2,807	13,369	10,562
Lease interest	-	-	30,498	30,498
Intergovernmental	1,692,007	1,692,007	2,593,791	901,784
Contributions and donations	-	-	624,000	624,000
Leases	-	-	27,358	27,358
Total revenues	<u>1,841,046</u>	<u>1,841,046</u>	<u>3,459,989</u>	<u>1,618,943</u>
<b>EXPENDITURES</b>				
Culture and recreation	297,578	283,523	205,262	78,261
Capital Outlay	<u>1,000,000</u>	<u>8,850,171</u>	<u>4,744,552</u>	<u>4,105,619</u>
Total expenditures	<u>1,297,578</u>	<u>9,133,694</u>	<u>4,949,814</u>	<u>4,183,880</u>
Excess (deficiency) of revenues over (under) expenditures	<u>543,468</u>	<u>(7,292,648)</u>	<u>(1,489,825)</u>	<u>5,802,823</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan proceeds	-	3,700,000	3,700,000	-
Interfund loan interest	-	(13,875)	(4,714)	9,161
Transfers in	-	<u>149,974</u>	<u>149,974</u>	-
Total other financing sources (uses)	-	<u>3,836,099</u>	<u>3,845,260</u>	<u>9,161</u>
Net change in funds available	543,468	(3,456,549)	2,355,435	5,811,984
Funds available - January 1	<u>1,121,818</u>	<u>4,526,005</u>	<u>4,526,005</u>	-
Funds available - December 31	<u>\$ 1,665,286</u>	<u>\$ 1,069,456</u>	<u>\$ 6,881,440</u>	<u>\$ 5,811,984</u>
<b>RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE</b>				
Loans from other funds			<u>(3,700,000)</u>	
Fund balance - December 31			<u>\$ 3,181,440</u>	

TOWN OF CASTLE ROCK, COLORADO

PHILIP S. MILLER TRUST FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 247,300	\$ 387,300	\$ 443,074	\$ 55,774
Investment earnings	1,002	1,002	(278)	(1,280)
Contributions and donations	255,000	255,000	215,000	(40,000)
Other	-	-	1,268	1,268
Total revenues	503,302	643,302	659,064	15,762
<b>EXPENDITURES</b>				
Culture and recreation	657,180	801,455	748,980	52,475
Capital Outlay	-	720	-	720
Total expenditures	657,180	802,175	748,980	53,195
Excess (deficiency) of revenues over (under) expenditures	(153,878)	(158,873)	(89,916)	68,957
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	175,000	175,000	175,000	-
Total other financing sources (uses)	175,000	175,000	175,000	-
Net change in funds available	21,122	16,127	85,084	68,957
Funds available - January 1	269,641	307,780	307,780	-
Funds available - December 31	\$ 290,763	\$ 323,907	\$ 392,864	\$ 68,957

TOWN OF CASTLE ROCK, COLORADO

PUBLIC ART FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 837	\$ 837	\$ 516	\$ (321)
Contributions and donations	25,000	25,000	25,000	-
Other	-	-	9	9
Total revenues	25,837	25,837	25,525	(312)
<b>EXPENDITURES</b>				
Culture and recreation	25,000	25,000	6,322	18,678
Capital outlay	-	50,000	30,000	20,000
Total expenditures	25,000	75,000	36,322	38,678
Excess (deficiency) of revenues over (under) expenditures	837	(49,163)	(10,797)	38,366
Net change in funds available	837	(49,163)	(10,797)	38,366
Funds available - January 1	40,462	96,426	96,426	-
Funds available - December 31	\$ 41,299	\$ 47,263	\$ 85,629	\$ 38,366

TOWN OF CASTLE ROCK, COLORADO

POLICE FORFEITURE FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Investment earnings	\$ 151	\$ 151	\$ 433	\$ 282
Total revenues	151	151	433	282
Excess (deficiency) of revenues over (under) expenditures	151	151	433	282
Net change in funds available	151	151	433	282
Funds available - January 1	22,260	22,012	22,012	-
Funds available - December 31	\$ 22,411	\$ 22,163	\$ 22,445	\$ 282

TOWN OF CASTLE ROCK, COLORADO

DOWNTOWN DEVELOPMENT AUTHORITY TIF FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 2,072,956	\$ 2,072,956	\$ 2,363,127	\$ 290,171
Total revenues	2,072,956	2,072,956	2,363,127	290,171
<b>EXPENDITURES</b>				
General government	2,085,302	2,085,302	930,204	1,155,098
Total expenditures	2,085,302	2,085,302	930,204	1,155,098
Excess (deficiency) of revenues over (under) expenditures	(12,346)	(12,346)	1,432,923	1,445,269
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan principal	(612,303)	(612,303)	(612,302)	1
Interfund loan interest	(26,207)	(26,207)	(184)	26,023
Transfers out	(150,000)	(150,000)	(150,000)	-
Total other financing sources (uses)	(788,510)	(788,510)	(762,486)	26,024
Net change in funds available	(800,856)	(800,856)	670,437	1,471,293
Funds available - January 1	800,856	2,014,205	2,014,205	-
Funds available - December 31	\$ -	\$ 1,213,349	\$ 2,684,642	\$ 1,471,293

**TOWN OF CASTLE ROCK, COLORADO**

**CASTLE ROCK URBAN RENEWAL AUTHORITY  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgets</b>		<b>Budgetary Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Charges for services	\$ -	\$ -	\$ 1,063	\$ 1,063
Other	36,275	36,275	-	(36,275)
Total revenues	36,275	36,275	1,063	(35,212)
<b>OPERATING EXPENDITURES</b>				
General government	36,275	36,275	517	35,758
Total operating expenditures	36,275	36,275	517	35,758
Total expenditures	36,275	36,275	517	35,758
Excess (deficiency) of revenues over (under) expenditures	-	-	546	546
Net change in funds available	-	-	546	546
Funds available - January 1	28,156	28,156	28,156	-
Funds available - December 31	<u>\$ 28,156</u>	<u>\$ 28,156</u>	\$ 28,702	<u>\$ 546</u>
<b>RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE</b>				
Loans from other funds			<u>(51,072)</u>	
Fund deficit - December 31			<u>\$ (22,370)</u>	

TOWN OF CASTLE ROCK, COLORADO

PARKS AND REC LODGING TAX

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 650,000	\$ 650,000	\$ 691,959	\$ 41,959
Investment earnings	297	297	-	(297)
Total revenues	650,297	650,297	691,959	41,662
<b>OPERATING EXPENDITURES</b>				
Culture and recreation	369,780	380,990	74,030	306,960
Capital Outlay	161,100	161,100	123,460	37,640
Total operating expenditures	530,880	542,090	197,490	344,600
Total expenditures	530,880	542,090	197,490	344,600
Excess (deficiency) of revenues over (under) expenditures	119,417	108,207	494,469	386,262
Net change in funds available	119,417	108,207	494,469	386,262
Funds available - January 1	-	-	-	-
Funds available - December 31	\$ 119,417	\$ 108,207	\$ 494,469	\$ 386,262

**TOWN OF CASTLE ROCK, COLORADO**

**FESTIVAL PARK COMMONS GID**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgets</b>		<b>Budgetary Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Taxes	\$ 60,467	\$ 60,467	\$ 54,106	\$ (6,361)
Investment earnings	-	-	109	109
Total revenues	60,467	60,467	54,215	(6,252)
<b>OPERATING EXPENDITURES</b>				
General government	-	-	731	(731)
Total operating expenditures	-	-	731	(731)
Total expenditures	-	-	731	(731)
Excess (deficiency) of revenues over (under) expenditures	60,467	60,467	53,484	(6,983)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(60,467)	(60,467)	-	60,467
Total other financing sources (uses)	(60,467)	(60,467)	-	60,467
Net change in funds available	-	-	53,484	53,484
Funds available - January 1	-	-	-	-
Funds available - December 31	\$ -	\$ -	\$ 53,484	\$ 53,484

## **MAJOR CAPITAL PROJECT FUND**

Capital project funds account for financial resources used to construct and acquire all major capital projects such as parks and town facilities except for those capital projects that are required to be accounted for in an enterprise fund.

### **Transportation Capital Projects Fund**

The Transportation Capital Projects fund accounts for the resources and expenditures for the construction of new transportation projects which accommodate the growth in the Castle Rock area.

**TOWN OF CASTLE ROCK, COLORADO**

**TRANSPORTATION CAPITAL PROJECT FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Building use taxes	\$ 2,527,060	\$ 2,527,060	\$ 2,545,817	\$ 18,757
Development impact fees	9,921,658	9,921,658	9,046,970	(874,688)
Investment earnings	206,688	206,688	82,964	(123,724)
Intergovernmental	8,128,800	13,831,900	6,157,633	(7,674,267)
Contributions and donations	-	-	2,627,892	2,627,892
Other	-	-	254	254
Total revenues	20,784,206	26,487,306	20,461,530	(6,025,776)
<b>EXPENDITURES</b>				
Capital Outlay	42,614,800	50,271,717	12,106,843	38,164,874
Total expenditures	42,614,800	50,271,717	12,106,843	38,164,874
<b>DEBT SERVICE</b>				
Principal	-	-	525,000	(525,000)
Interest	362,387	362,387	390,949	(28,562)
Agency fees	-	-	700	(700)
Total debt service	362,387	362,387	916,649	(554,262)
Total expenditures	42,977,187	50,634,104	13,023,492	37,610,612
Excess (deficiency) of revenues over (under) expenditures	(22,192,981)	(24,146,798)	7,438,038	31,584,836
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,350,000	3,350,000	3,350,000	-
Total other financing sources (uses)	3,350,000	3,350,000	3,350,000	-
Net change in funds available	(18,842,981)	(20,796,798)	10,788,038	31,584,836
Funds available - January 1	25,612,007	29,846,690	29,846,690	-
Funds available - December 31	\$ 6,769,026	\$ 9,049,892	\$ 40,634,728	\$ 31,584,836

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

## **NON-MAJOR CAPITAL PROJECT FUNDS**

Capital project funds account for financial resources used to construct and acquire all major capital projects such as parks and town facilities except for those capital projects that are required to be accounted for in an enterprise fund.

### **Parks and Recreation Capital Fund**

The Parks and Recreation Capital Fund accounted for resources and expenditures for the construction, expansion and improvement of recreation facilities and other capital needs related to recreational services. The primary source of revenue in this fund is from development impact fees, which are collected at the time a building permit is issued.

### **Municipal Facilities Capital Fund**

The Municipal Facilities Capital Fund accounts for resources and expenditures for the construction, expansion and improvement of Town facilities. The primary source of revenue in this fund is from development impact fees that are collected at the time a building permit is issued. Certain projects in this fund were financed through an interfund loan from the General Fund.

### **Fire Capital Fund**

The Fire Capital Fund accounts for resources and expenditures for the construction, expansion and improvement of fire facilities and other capital needs of the Fire Department. The primary source of revenue in this fund is from development impact fees, which are collected at the time a building permit is issued. Certain projects in this fund were financed through an interfund loan from the General Fund.

### **Police Capital Fund**

The Police Capital Fund accounts for resources and expenditures for the construction, expansion and improvement of police facilities and to provide for other capital needs of the Police Department. The primary source of revenue in this fund is from development impact fees that are collected at the time a building permit is issued. Certain projects in this fund were financed through an interfund loan from the General Fund.

### **General Long-Term Planning Fund**

The General Long-Term Planning Fund establishes a source to prioritize and perform needed repairs, improvements and replacement of Town facilities, technology, and infrastructure. The primary source of revenue in this fund is from residential building use tax.

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR CAPITAL PROJECTS FUNDS  
 COMBINING BALANCE SHEET  
 DECEMBER 31, 2022

	Parks and Recreation Capital	Municipal Facilities Capital	Fire Capital	Police Capital	General Long-Term Planning	Total Non-major Capital Funds
<b>ASSETS</b>						
Cash and cash equivalents	\$ 10,862,698	\$ 1,360,313	\$ 704,637	\$ 432,041	\$ 5,833,978	\$ 19,193,667
Investments	2,006,179	569,665	905,143	77,552	916,110	4,474,649
Accounts receivable	7,065	2,006	3,267	273	3,622	16,233
Loans to other funds	3,700,000	128,221	-	-	-	3,828,221
Total assets	<u>\$ 16,575,942</u>	<u>\$ 2,060,205</u>	<u>\$ 1,613,047</u>	<u>\$ 509,866</u>	<u>\$ 6,753,710</u>	<u>\$ 27,512,770</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities						
Accounts payable	\$ 46,789	\$ 134,803	-	-	\$ 552,315	\$ 733,907
Retainage payable	259,703	6,313	-	11,841	23,500	301,357
Loans from other funds	-	-	892,039	734,236	-	1,626,275
Total liabilities	<u>306,492</u>	<u>141,116</u>	<u>892,039</u>	<u>746,077</u>	<u>575,815</u>	<u>2,661,539</u>
Fund balances (deficits)						
Nonspendable	3,700,000	128,221	-	-	-	3,828,221
Restricted	12,569,450	1,790,868	721,008	-	-	15,081,326
Committed	-	-	-	-	6,177,895	6,177,895
Unassigned	-	-	-	(236,211)	-	(236,211)
Total fund balances (deficits)	<u>16,269,450</u>	<u>1,919,089</u>	<u>721,008</u>	<u>(236,211)</u>	<u>6,177,895</u>	<u>24,851,231</u>
Total liabilities and fund balances	<u>\$ 16,575,942</u>	<u>\$ 2,060,205</u>	<u>\$ 1,613,047</u>	<u>\$ 509,866</u>	<u>\$ 6,753,710</u>	<u>\$ 27,512,770</u>

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR CAPITAL PROJECTS FUNDS

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Parks and Recreation Capital	Municipal Facilities Capital	Fire Capital	Police Capital	General Long-Term Planning	Total Non-major Capital Funds
<b>REVENUES</b>						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 1,982,239	\$ 1,982,239
Development impact fees	5,738,566	320,948	971,308	495,850	-	7,526,672
Investment earnings	26,974	(7,669)	(13,665)	1,505	2,545	9,690
Other	-	-	150	-	112,769	112,919
Total revenues	5,765,540	313,279	957,793	497,355	2,097,553	9,631,520
<b>EXPENDITURES</b>						
General government	-	-	-	-	1,497,420	1,497,420
Public safety	-	-	8,085	-	-	8,085
Culture and recreation	305,588	-	-	-	-	305,588
Capital outlay	2,026,411	141,116	45,638	12,809	1,016,568	3,242,542
Debt Service						
Principal	415,000	-	-	-	-	415,000
Interest	294,413	-	-	-	-	294,413
Agency fees	2,000	-	-	-	-	2,000
Total expenditures	3,043,412	141,116	53,723	12,809	2,513,988	5,765,048
Excess (deficiency) of revenues over (under) expenditures	2,722,128	172,163	904,070	484,546	(416,435)	3,866,472
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	4,714	2,291	-	-	600,000	607,005
Transfers out	(93,908)	-	(1,560,778)	(448,008)	-	(2,102,694)
Total other financing sources (uses)	(89,194)	2,291	(1,560,778)	(448,008)	600,000	(1,495,689)
Net change in fund balances	2,632,934	174,454	(656,708)	36,538	183,565	2,370,783
Fund balances (deficits) - January 1	13,636,516	1,744,635	1,377,716	(272,749)	5,994,330	22,480,448
Fund balances (deficits) - December 31	\$ 16,269,450	\$ 1,919,089	\$ 721,008	\$ (236,211)	\$ 6,177,895	\$ 24,851,231

TOWN OF CASTLE ROCK, COLORADO

PARKS AND RECREATION CAPITAL FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Development impact fees	\$ 6,804,900	\$ 6,804,900	\$ 5,738,566	\$ (1,066,334)
Investment earnings	144,197	144,197	26,974	(117,223)
Total revenues	6,949,097	6,949,097	5,765,540	(1,183,557)
<b>EXPENDITURES</b>				
Culture and recreation	318,920	1,152,130	305,588	846,542
Capital outlay	450,000	3,569,266	2,026,411	1,542,855
Total expenditures	768,920	4,721,396	2,331,999	2,389,397
<b>DEBT SERVICE</b>				
COP principal	415,000	415,000	415,000	-
COP interest	294,413	294,413	294,413	-
Agency and other fees	2,000	2,000	2,000	-
Total debt service	711,413	711,413	711,413	-
Total expenditures	1,480,333	5,432,809	3,043,412	2,389,397
Excess (deficiency) of revenues over (under) expenditures	5,468,764	1,516,288	2,722,128	1,205,840
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund Loan	-	(3,700,000)	(3,700,000)	-
Transfers out	-	(93,909)	(93,908)	1
Interfund loan interest	-	13,875	4,714	(9,161)
Total other financing sources (uses)	-	(3,780,034)	(3,789,194)	(9,160)
Net change in funds available	5,468,764	(2,263,746)	(1,067,066)	1,196,680
Funds available - January 1	13,632,893	13,636,516	13,636,516	-
Funds available - December 31	<u>\$ 19,101,657</u>	<u>\$ 11,372,770</u>	<u>\$ 12,569,450</u>	<u>\$ 1,196,680</u>
<b>RECONCILIATION OF FUNDS AVAILABLE TO TO GAAP FUND BALANCE</b>				
Loans to other funds			3,700,000	
Fund Balance - December 31			<u>\$ 16,269,450</u>	

**TOWN OF CASTLE ROCK, COLORADO**

**MUNICIPAL FACILITIES CAPITAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgets</b>		<b>Budgetary Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Development impact fees	\$ 360,964	\$ 360,964	\$ 320,948	\$ (40,016)
Investment earnings	27,594	27,594	(7,669)	(35,263)
Total revenues	<u>388,558</u>	<u>388,558</u>	<u>313,279</u>	<u>(75,279)</u>
<b>EXPENDITURES</b>				
Capital Outlay	-	195,230	141,116	54,114
Total expenditures	<u>-</u>	<u>195,230</u>	<u>141,116</u>	<u>54,114</u>
Excess (deficiency) of revenues over (under) expenditures	<u>388,558</u>	<u>193,328</u>	<u>172,163</u>	<u>(21,165)</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan principal	24,518	24,518	24,518	-
Interfund loan interest	2,291	2,291	2,291	-
Total other financing sources (uses)	<u>26,809</u>	<u>26,809</u>	<u>26,809</u>	<u>-</u>
Net change in funds available	415,367	220,137	198,972	(21,165)
Funds available - January 1	<u>1,625,290</u>	<u>1,591,896</u>	<u>1,591,896</u>	<u>-</u>
Funds available - December 31	<u>\$ 2,040,657</u>	<u>\$ 1,812,033</u>	<u>\$ 1,790,868</u>	<u>\$ (21,165)</u>
<b>RECONCILIATION OF FUNDS</b>				
<b>AVAILABLE TO GAAP FUND BALANCE</b>				
Loans to other funds			<u>128,221</u>	
Fund balance - December 31			<u>\$ 1,919,089</u>	

**TOWN OF CASTLE ROCK, COLORADO**

**FIRE CAPITAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgets</b>		<b>Budgetary Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Development impact fees	\$ 1,107,134	\$ 1,107,134	\$ 971,308	\$ (135,826)
Investment earnings	56,257	56,257	(13,665)	(69,922)
Other	-	-	150	150
<b>Total revenues</b>	<b>1,163,391</b>	<b>1,163,391</b>	<b>957,793</b>	<b>(205,598)</b>
<b>EXPENDITURES</b>				
Public safety	-	-	8,085	(8,085)
Capital Outlay	10,000	68,708	45,638	23,070
<b>Total expenditures</b>	<b>10,000</b>	<b>68,708</b>	<b>53,723</b>	<b>14,985</b>
Excess (deficiency) of revenues over (under) expenditures	1,153,391	1,094,683	904,070	(190,613)
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan principal	(288,059)	(288,059)	(288,059)	-
Interfund loan interest	(17,701)	(17,701)	(17,701)	-
Transfers out	(100,000)	(1,626,783)	(1,543,077)	83,706
<b>Total other financing sources (uses)</b>	<b>(405,760)</b>	<b>(1,932,543)</b>	<b>(1,848,837)</b>	<b>83,706</b>
Net change in funds available	747,631	(837,860)	(944,767)	(106,907)
Funds available - January 1	2,626,847	2,557,814	2,557,814	-
Funds available - December 31	\$ 3,374,478	\$ 1,719,954	\$ 1,613,047	\$ (106,907)
<b>RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE</b>				
Loans from other funds			(892,039)	
Fund balance - December 31			\$ 721,008	

**TOWN OF CASTLE ROCK, COLORADO**

**POLICE CAPITAL FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Budgets</b>		<b>Budgetary Actual</b>	<b>Variance with Final Budget Positive (Negative)</b>
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Development impact fees	\$ 551,500	\$ 551,500	\$ 495,850	\$ (55,650)
Investment earnings	3,405	3,405	1,505	(1,900)
Total revenues	<u>554,905</u>	<u>554,905</u>	<u>497,355</u>	<u>(57,550)</u>
<b>EXPENDITURES</b>				
Capital outlay	<u>500,000</u>	<u>677,384</u>	<u>12,809</u>	<u>664,575</u>
Total expenditures	<u>500,000</u>	<u>677,384</u>	<u>12,809</u>	<u>664,575</u>
Excess (deficiency) of revenues over (under) expenditures	<u>54,905</u>	<u>(122,479)</u>	<u>484,546</u>	<u>607,025</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund loan principal	(173,726)	(173,726)	(173,726)	-
Interfund loan interest	(13,619)	(13,619)	(13,619)	-
Transfers out	<u>(256,668)</u>	<u>(325,388)</u>	<u>(434,389)</u>	<u>(109,001)</u>
Total other financing sources (uses)	<u>(444,013)</u>	<u>(512,733)</u>	<u>(621,734)</u>	<u>(109,001)</u>
Net change in funds available	(389,108)	(635,212)	(137,188)	498,024
Funds available - January 1	<u>635,176</u>	<u>635,213</u>	<u>635,213</u>	<u>-</u>
Funds available - December 31	<u>\$ 246,068</u>	<u>\$ 1</u>	<u>498,025</u>	<u>\$ 498,024</u>
<b>RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE</b>				
Loans from other funds			<u>(734,236)</u>	
Fund deficit - December 31			<u>\$ (236,211)</u>	

TOWN OF CASTLE ROCK, COLORADO

GENERAL LONG-TERM PLANNING FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Building use taxes	\$ 1,961,543	\$ 1,961,543	\$ 1,982,239	\$ 20,696
Investment earnings	28,180	28,180	2,545	(25,635)
Other	-	-	112,769	112,769
Total revenues	1,989,723	1,989,723	2,097,553	107,830
<b>EXPENDITURES</b>				
General government	2,348,341	2,451,416	1,497,420	953,996
Capital outlay	1,674,736	2,810,885	1,016,568	1,794,317
Total expenditures	4,023,077	5,262,301	2,513,988	2,748,313
Excess (deficiency) of revenues over (under) expenditures	(2,033,354)	(3,272,578)	(416,435)	2,856,143
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	1,287,144	1,287,144	600,000	(687,144)
Total other financing sources (uses)	1,287,144	1,287,144	600,000	(687,144)
Net change in funds available	(746,210)	(1,985,434)	183,565	2,168,999
Funds available - January 1	3,038,416	5,994,330	5,994,330	-
Funds available - December 31	\$ 2,292,206	\$ 4,008,896	\$ 6,177,895	\$ 2,168,999



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## **Major Enterprise Funds Budgetary Schedules**

**Water Fund**

**Water Resources Fund**

**Stormwater Fund**

**Wastewater Fund**

TOWN OF CASTLE ROCK, COLORADO

WATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 18,816,448	\$ 18,816,448	\$ 18,758,854	\$ (57,594)
System development fees	4,280,244	4,280,244	4,610,435	330,191
Fines and forfeitures	345,200	345,200	345,437	237
Investment earnings	263,430	263,430	(68,989)	(332,419)
Lease interest	-	-	29,205	29,205
Intergovernmental	150,000	150,000	300,700	150,700
Contributions and donations	-	-	666,964	666,964
Leases	120,401	120,401	127,198	6,797
Other	6,940	6,940	131,256	124,316
Total revenues	<u>23,982,663</u>	<u>23,982,663</u>	<u>24,901,060</u>	<u>918,397</u>
<b>OPERATING EXPENDITURES</b>				
Administration	2,043,477	2,083,492	2,243,045	(159,553)
Operations support	12,750,902	12,867,865	11,181,857	1,686,008
Capital outlay	12,384,892	24,675,795	11,448,272	13,227,523
Total operating expenditures	<u>27,179,271</u>	<u>39,627,152</u>	<u>24,873,174</u>	<u>14,753,978</u>
<b>DEBT SERVICE</b>				
Principal	1,508,800	1,508,800	1,508,800	-
Interest	230,810	230,810	225,448	5,362
Agency fees	400	400	552	(152)
Total debt service	<u>1,740,010</u>	<u>1,740,010</u>	<u>1,734,800</u>	<u>5,210</u>
Total expenditures	<u>28,919,281</u>	<u>41,367,162</u>	<u>26,607,974</u>	<u>14,759,188</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,936,618)</u>	<u>(17,384,499)</u>	<u>(1,706,914)</u>	<u>15,677,585</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	(56,066)	(216,041)	(159,975)
Total other financing sources (uses)	<u>-</u>	<u>(56,066)</u>	<u>(216,041)</u>	<u>(159,975)</u>
Net change in funds available	(4,936,618)	(17,440,565)	(1,922,955)	15,517,610
Funds available - January 1	<u>23,750,290</u>	<u>27,344,435</u>	<u>27,344,435</u>	<u>-</u>
Funds available - December 31	<u>\$ 18,813,672</u>	<u>\$ 9,903,870</u>	<u>\$ 25,421,480</u>	<u>\$ 15,517,610</u>
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ (1,922,955)	
Depreciation expense			(7,341,348)	
Capital asset contributions			9,266,564	
Capital outlay			11,448,272	
Principal paid			1,508,800	
Amortization expense			56,300	
Accrued leave			(27,226)	
Change in net position			<u>\$ 12,988,407</u>	

TOWN OF CASTLE ROCK, COLORADO

WATER RESOURCES FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 10,954,798	\$ 10,954,798	\$ 11,672,223	\$ 717,425
System development fees	22,107,234	22,107,234	28,973,756	6,866,522
Fines and forfeitures	155,500	155,500	213,408	57,908
Investment earnings	733,120	733,120	(115,786)	(848,906)
Intergovernmental	-	-	50,252	50,252
Other	731,538	731,538	2,051,171	1,319,633
Total revenues	<u>34,682,190</u>	<u>34,682,190</u>	<u>42,845,024</u>	<u>8,162,834</u>
<b>OPERATING EXPENDITURES</b>				
Administration	757,119	789,930	680,241	109,689
Operations support	10,937,746	11,365,664	9,514,151	1,851,513
Capital outlay	45,799,374	69,434,725	9,985,062	59,449,663
Total operating expenditures	<u>57,494,239</u>	<u>81,590,319</u>	<u>20,179,454</u>	<u>61,410,865</u>
<b>DEBT SERVICE</b>				
Principal	2,070,000	3,010,000	3,010,000	-
Interest	1,696,750	2,590,241	2,671,537	(81,296)
Agency and other fees	-	-	300	(300)
Total debt service	<u>3,766,750</u>	<u>5,600,241</u>	<u>5,681,837</u>	<u>(81,596)</u>
Total expenditures	<u>61,260,989</u>	<u>87,190,560</u>	<u>25,861,291</u>	<u>61,329,269</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(26,578,799)</u>	<u>(52,508,370)</u>	<u>16,983,733</u>	<u>69,492,103</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Revenue bond proceeds	-	30,250,210	30,250,209	(1)
Interfund loan principal	46,336	131,099	131,100	1
Interfund loan interest	17,664	17,664	17,664	-
Bond issue costs	-	(250,210)	(247,666)	2,544
Transfers out	(49,210)	(133,973)	-	133,973
Total other financing sources (uses)	<u>14,790</u>	<u>30,014,790</u>	<u>30,151,307</u>	<u>136,517</u>
Net change in funds available	<u>(26,564,009)</u>	<u>(22,493,580)</u>	<u>47,135,040</u>	<u>69,628,620</u>
Funds available - January 1	<u>43,896,469</u>	<u>57,951,749</u>	<u>57,951,749</u>	<u>-</u>
Funds available - December 31	<u>\$ 17,332,460</u>	<u>\$ 35,458,169</u>	<u>\$ 105,086,789</u>	<u>\$ 69,628,620</u>
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ 47,135,040	
Depreciation expense			(3,495,428)	
Capital asset contributions			24,351	
Capital outlay			9,985,062	
Principal paid			3,010,000	
Revenue bond proceeds			(30,250,209)	
Interfund loan principal			(131,100)	
Amortization expense			746,839	
Accrued leave			(5,987)	
Change in net position			<u>\$ 27,018,568</u>	

TOWN OF CASTLE ROCK, COLORADO

STORMWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 3,965,831	\$ 3,965,831	\$ 3,863,165	\$ (102,666)
System development fees	1,770,975	1,770,975	2,032,502	261,527
Investment earnings	37,272	37,272	(65,048)	(102,320)
Other	403,205	403,205	281,860	(121,345)
Total revenues	<u>6,177,283</u>	<u>6,177,283</u>	<u>6,112,479</u>	<u>(64,804)</u>
<b>OPERATING EXPENDITURES</b>				
Administration	816,369	849,391	775,828	73,563
Operations support	2,360,185	2,492,361	2,143,483	348,878
Capital outlay	2,664,207	8,520,256	6,844,692	1,675,564
Total operating expenditures	<u>5,840,761</u>	<u>11,862,008</u>	<u>9,764,003</u>	<u>2,098,005</u>
<b>DEBT SERVICE</b>				
Principal	900,000	900,000	900,000	-
Interest	182,400	182,400	180,960	1,440
Total debt service	<u>1,082,400</u>	<u>1,082,400</u>	<u>1,080,960</u>	<u>1,440</u>
Total expenditures	<u>6,923,161</u>	<u>12,944,408</u>	<u>10,844,963</u>	<u>2,099,445</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(745,878)</u>	<u>(6,767,125)</u>	<u>(4,732,484)</u>	<u>2,034,641</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	-	-	231,324	231,324
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>231,324</u>	<u>231,324</u>
Net change in funds available	(745,878)	(6,767,125)	(4,501,160)	2,265,965
Funds available - January 1	6,314,568	12,853,269	12,853,269	-
Funds available - December 31	<u>\$ 5,568,690</u>	<u>\$ 6,086,144</u>	<u>\$ 8,352,109</u>	<u>\$ 2,265,965</u>
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ (4,501,160)	
Depreciation expense			(3,082,678)	
Capital asset contributions			13,151,453	
Capital outlay			6,844,692	
Principal paid			900,000	
Accrued leave			1,107	
Change in net position			<u>\$ 13,313,414</u>	

TOWN OF CASTLE ROCK, COLORADO

WASTEWATER FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 12,006,783	\$ 12,006,783	\$ 11,568,036	\$ (438,747)
System development fees	3,969,096	3,969,096	3,041,489	(927,607)
Fines and forfeitures	100	100	48	(52)
Investment earnings	63,290	63,290	18,801	(44,489)
Other	10,681	10,681	63,871	53,190
Total revenues	16,049,950	16,049,950	14,692,245	(1,357,705)
<b>OPERATING EXPENDITURES</b>				
Administration	979,649	1,026,058	1,126,937	(100,879)
Operations support	5,743,902	6,967,127	6,579,158	387,969
Contributions toward sewer capacity	270,015	300,938	700,938	(400,000)
Capital outlay	2,690,364	3,622,429	2,266,852	1,355,577
Total operating expenditures	9,683,930	11,916,552	10,673,885	1,242,667
<b>DEBT SERVICE</b>				
Principal	301,200	301,200	301,200	-
Interest	30,840	30,840	29,585	1,255
Agency fees	-	-	48	(48)
Total debt service	332,040	332,040	330,833	1,207
Total expenditures	10,015,970	12,248,592	11,004,718	1,243,874
Excess (deficiency) of revenues over (under) expenditures	6,033,980	3,801,358	3,687,527	(113,831)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	-	-	(231,324)	(231,324)
Total other financing sources (uses)	-	-	(231,324)	(231,324)
Net change in funds available	6,033,980	3,801,358	3,456,203	(345,155)
Funds available - January 1	13,605,599	17,638,342	17,638,342	-
Funds available - December 31	\$ 19,639,579	\$ 21,439,700	\$ 21,094,545	\$ (345,155)
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ 3,456,203	
Depreciation expense			(2,968,055)	
Capital asset contributions			4,687,841	
Capital outlay			2,266,852	
Principal paid			301,200	
Amortization expense			5,044	
Investment in joint venture			(129,931)	
Accrued leave			(2,420)	
Change in net position			\$ 7,616,734	

## **NON-MAJOR ENTERPRISE FUNDS**

Enterprise funds account for operations that are financed and operated in a manner similar to private business where costs are predominantly supported by user charges or where management has decided periodic determination of revenues, expenses and / or changes in net position is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

### **Golf Fund**

The Golf Fund accounts for the activities related to the construction, operation and maintenance of the Town owned golf course, Red Hawk Ridge, at Castle Rock.

### **Community Center Fund**

The Community Center Fund accounts for the Town's recreational facilities including a recreation center, the Miller Activity Center, two outdoor pools, inline skating rinks, multi-purpose ball fields, and a skateboard park. This fund also accounts for recreational and child care programs.

### **Development Services Fund**

The Development Services Fund accounts for revenues and expenses related to community development within the Town. Primary revenues are from user fees to include building and electrical permits, plan reviews and inspections.

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF NET POSITION  
 DECEMBER 31, 2022

	Golf	Community Center	Development Services	Total Other Enterprise Funds
<b>ASSETS</b>				
Current Assets				
Cash and cash equivalents	\$ 1,381,064	\$ 1,580,512	\$ 2,469,305	\$ 5,430,881
Investments	420,874	515,086	3,314,100	4,250,060
Receivables				
Sales taxes	-	445,636	-	445,636
Accounts	5,310	76,427	11,793	93,530
Prepaid items	15,150	60,393	125,337	200,880
Inventory	95,434	-	-	95,434
Total current assets	<u>1,917,832</u>	<u>2,678,054</u>	<u>5,920,535</u>	<u>10,516,421</u>
Non-current Assets				
Restricted cash and cash equivalents	500,815	-	-	500,815
Capital assets				
Land	5,412,479	181,965	-	5,594,444
Easements	-	-	6,100	6,100
Buildings and improvements	2,207,364	8,167,414	5,126,928	15,501,706
Machinery and equipment	1,524,764	1,030,789	82,964	2,638,517
Other structures and improvements	973,355	1,362,850	-	2,336,205
Accumulated depreciation	<u>(2,562,419)</u>	<u>(6,295,866)</u>	<u>(778,492)</u>	<u>(9,636,777)</u>
Total capital assets (net of accumulated depreciation)	<u>7,555,543</u>	<u>4,447,152</u>	<u>4,437,500</u>	<u>16,440,195</u>
Total non-current assets	<u>8,056,358</u>	<u>4,447,152</u>	<u>4,437,500</u>	<u>16,941,010</u>
Total assets	<u>9,974,190</u>	<u>7,125,206</u>	<u>10,358,035</u>	<u>27,457,431</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on refundings	186,552	-	-	186,552
<b>LIABILITIES</b>				
Current liabilities				
Accounts payable	58,436	148,280	132,518	339,234
Accrued interest payable	5,470	-	-	5,470
Deposits	-	11,400	11,890	23,290
Revenue bonds payable-current	435,000	-	-	435,000
Accrued leave-current	84,296	120,675	297,953	502,924
Unearned revenues	<u>114,979</u>	<u>21,567</u>	<u>200,000</u>	<u>336,546</u>
Total current liabilities	<u>698,181</u>	<u>301,922</u>	<u>642,361</u>	<u>1,642,464</u>
Non-current liabilities				
Revenue bonds net of unamortized premiums (discounts)	1,860,000	-	-	1,860,000
Accrued leave	107,674	156,784	209,048	473,506
Loans from other funds	<u>937,470</u>	<u>-</u>	<u>-</u>	<u>937,470</u>
Total non-current liabilities	<u>2,905,144</u>	<u>156,784</u>	<u>209,048</u>	<u>3,270,976</u>
Total liabilities	<u>3,603,325</u>	<u>458,706</u>	<u>851,409</u>	<u>4,913,440</u>
<b>NET POSITION</b>				
Net investment in capital assets	5,427,591	4,447,152	4,437,500	14,312,243
Unrestricted	<u>1,129,826</u>	<u>2,219,348</u>	<u>5,069,126</u>	<u>8,418,300</u>
Total net position	<u>\$ 6,557,417</u>	<u>\$ 6,666,500</u>	<u>\$ 9,506,626</u>	<u>\$ 22,730,543</u>

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

FOR THE YEAR ENDED DECEMBER 31, 2022

	Golf	Community Center	Development Services	Total Other Enterprise Funds
<b>OPERATING REVENUES</b>				
Charges for services	\$ 3,935,565	\$ 4,752,992	\$ 6,778,164	\$ 15,466,721
Intergovernmental	-	204,667	-	204,667
Contributions and donations	-	27,939	-	27,939
Other	2,039	5,653	-	7,692
Total operating revenues	<u>3,937,604</u>	<u>4,991,251</u>	<u>6,778,164</u>	<u>15,707,019</u>
<b>OPERATING EXPENSES</b>				
Operations	3,275,255	8,672,340	7,326,151	19,273,746
Depreciation	265,527	415,391	136,317	817,235
Total operating expenses	<u>3,540,782</u>	<u>9,087,731</u>	<u>7,462,468</u>	<u>20,090,981</u>
Operating income (loss)	<u>396,822</u>	<u>(4,096,480)</u>	<u>(684,304)</u>	<u>(4,383,962)</u>
<b>NON-OPERATING REVENUES (EXPENSES)</b>				
Taxes	\$ -	\$ 4,738,781	\$ -	\$ 4,738,781
Investment earnings	2,595	(4,159)	(57,798)	(59,362)
Gain (loss) on disposal of capital assets	-	(86,818)	(119,169)	(205,987)
Interest expense	(118,081)	-	-	(118,081)
Agency and other fees	(300)	-	-	(300)
Total non-operating revenues (expenses)	<u>(115,786)</u>	<u>4,647,804</u>	<u>(176,967)</u>	<u>4,355,051</u>
Net income (loss) before contributions and transfers	<u>281,036</u>	<u>551,324</u>	<u>(861,271)</u>	<u>(28,911)</u>
<b>CONTRIBUTIONS AND TRANSFERS</b>				
Transfers in	26,667	-	-	26,667
Transfers out	(13,607)	(84,417)	-	(98,024)
Total contributions and transfers	<u>13,060</u>	<u>(84,417)</u>	<u>-</u>	<u>(71,357)</u>
Change in fund net position	294,096	466,907	(861,271)	(100,268)
Total net position - January 1	<u>6,263,321</u>	<u>6,199,593</u>	<u>10,367,897</u>	<u>22,830,811</u>
Total net position - December 31	<u>\$ 6,557,417</u>	<u>\$ 6,666,500</u>	<u>\$ 9,506,626</u>	<u>\$ 22,730,543</u>

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Golf	Community Center	Development Services	Total Other Enterprise Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Receipts from customers and users	\$ 3,963,439	\$ 4,961,136	\$ 6,785,065	\$ 15,709,640
Payments to suppliers	(1,545,222)	(3,745,284)	(1,243,887)	(6,534,393)
Payments to employees	(1,778,389)	(4,968,491)	(6,050,479)	(12,797,359)
Net cash provided by (used in) operating activities	<u>639,828</u>	<u>(3,752,639)</u>	<u>(509,301)</u>	<u>(3,622,112)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>				
Cash transfers in	26,667	-	-	26,667
Cash transfers out	(13,607)	(84,417)	-	(98,024)
Receipts from taxes	-	4,738,781	-	4,738,781
Net cash provided by non-capital financing activities	<u>13,060</u>	<u>4,654,364</u>	<u>-</u>	<u>4,667,424</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>				
Interfund loans	436,655	-	-	436,655
Acquisition of capital assets	(634,382)	(434,548)	(94,207)	(1,163,137)
Principal paid on bonds and cops payable	(398,165)	-	-	(398,165)
Interest paid on bonds and cops payable	(72,605)	-	-	(72,605)
Principal paid on finance purchase agreements	(132,612)	-	-	(132,612)
Interest paid on finance purchase agreements	(9,040)	-	-	(9,040)
Bond issue costs and agency fees	(300)	-	-	(300)
Net cash used in capital and related financing activities	<u>(810,449)</u>	<u>(434,548)</u>	<u>(94,207)</u>	<u>(1,339,204)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Investment earnings	18,508	15,316	67,503	101,327
Increase in equity in pooled investments	(7,447)	(9,114)	(58,641)	(75,202)
Net cash provided by investing activities	<u>11,061</u>	<u>6,202</u>	<u>8,862</u>	<u>26,125</u>
Net increase (decrease) in cash and cash equivalents	(146,500)	473,379	(594,646)	(267,767)
Cash and cash equivalents - January 1	2,028,379	1,107,133	3,063,951	6,199,463
Cash and cash equivalents - December 31	<u>\$ 1,881,879</u>	<u>\$ 1,580,512</u>	<u>\$ 2,469,305</u>	<u>\$ 5,931,696</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION</b>				
Unrestricted cash and cash equivalents	\$ 1,381,064	\$ 1,580,512	\$ 2,469,305	\$ 5,430,881
Restricted cash and cash equivalents	500,815	-	-	500,815
Total cash and cash equivalents	<u>\$ 1,881,879</u>	<u>\$ 1,580,512</u>	<u>\$ 2,469,305</u>	<u>\$ 5,931,696</u>

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS  
 COMBINING STATEMENT OF CASH FLOWS  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	<u>Golf</u>	<u>Community Center</u>	<u>Development Services</u>	<u>Total Other Enterprise Funds</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES</b>				
Operating income (loss)	\$ 396,822	\$ (4,096,480)	\$ (684,304)	\$ (4,383,962)
<b>Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities</b>				
Depreciation	265,527	415,391	136,317	817,235
Changes in operating assets and liabilities				
(Increase) decrease in assets				
Accounts receivable	204	(52,102)	6,900	(44,998)
Prepaid items	2,290	(36,188)	(12,664)	(46,562)
Inventory	(20,134)	-	-	(20,134)
Increase (decrease) in liabilities				
Accounts payable	(16,181)	(22,780)	(20,152)	(59,113)
Accrued leave	(14,329)	17,525	64,602	67,798
Unearned revenue	34,348	19,595	-	53,943
Deposits	(8,719)	2,400	-	(6,319)
Total adjustments	<u>243,006</u>	<u>343,841</u>	<u>175,003</u>	<u>761,850</u>
Net cash provided by (used in) operating activities	<u>\$ 639,828</u>	<u>\$ (3,752,639)</u>	<u>\$ (509,301)</u>	<u>\$ (3,622,112)</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>				
Payables incurred for purchase of capital assets	\$ (19,504)	\$ -	\$ -	\$ (19,504)
Amortization of premium, discount and deferred loss on refunding	38,267	-	-	38,267
Decrease in fair value of investments	(15,913)	(19,475)	(125,301)	(160,689)
<b>Noncash investing, capital and financing activities</b>	<u>\$ 2,850</u>	<u>\$ (19,475)</u>	<u>\$ (125,301)</u>	<u>\$ (141,926)</u>

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

TOWN OF CASTLE ROCK, COLORADO

GOLF FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 3,687,169	\$ 3,687,169	\$ 3,935,565	\$ 248,396
Investment earnings	10,745	10,745	2,595	(8,150)
Other	-	-	2,039	2,039
Total revenues	<u>3,697,914</u>	<u>3,697,914</u>	<u>3,940,199</u>	<u>242,285</u>
<b>OPERATING EXPENDITURES</b>				
Administration	394,350	395,022	411,303	(16,281)
Operations support	1,069,281	1,116,778	1,052,314	64,464
Food and beverages	523,970	545,996	672,181	(126,185)
Maintenance	1,032,300	1,067,529	1,153,786	(86,257)
Capital outlay	541,500	658,237	569,399	88,838
Total operating expenditures	<u>3,561,401</u>	<u>3,783,562</u>	<u>3,858,983</u>	<u>(75,421)</u>
<b>DEBT SERVICE</b>				
Principal	639,077	639,077	530,777	108,300
Interest	93,230	93,230	79,814	13,416
Agency fees	2,500	2,500	300	2,200
Total debt service	<u>734,807</u>	<u>734,807</u>	<u>610,891</u>	<u>123,916</u>
Total expenditures	<u>4,296,208</u>	<u>4,518,369</u>	<u>4,469,874</u>	<u>48,495</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(598,294)</u>	<u>(820,455)</u>	<u>(529,675)</u>	<u>290,780</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Lease proceeds	541,500	541,500	-	(541,500)
Transfers in	80,000	80,000	26,667	(53,333)
Interfund loan principal	-	(108,363)	(105,161)	3,202
Interfund loan interest	(7,512)	(14,014)	(13,607)	407
Interfund loan	-	-	541,816	541,816
Total other financing sources (uses)	<u>613,988</u>	<u>499,123</u>	<u>449,715</u>	<u>(49,408)</u>
Net change in funds available	15,694	(321,332)	(79,960)	241,372
Funds available - January 1	<u>1,895,170</u>	<u>2,284,305</u>	<u>2,284,305</u>	<u>-</u>
Funds available - December 31	<u>\$ 1,910,864</u>	<u>\$ 1,962,973</u>	<u>\$ 2,204,345</u>	<u>\$ 241,372</u>
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ (79,960)	
Depreciation expense			(265,527)	
Capital outlay			569,399	
Principal paid			530,777	
Amortization expense			(38,267)	
Accrued leave			14,329	
Interfund loan principal			105,161	
Interfund loan			(541,816)	
Change in net position			<u>\$ 294,096</u>	

TOWN OF CASTLE ROCK, COLORADO

COMMUNITY CENTER FUND  
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE  
 BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 4,077,600	\$ 4,077,600	\$ 4,738,781	\$ 661,181
Charges for services	4,308,451	4,531,451	4,752,992	221,541
Investment earnings	11,903	11,903	(4,159)	(16,062)
Intergovernmental	-	-	204,667	204,667
Contributions and donations	-	-	27,939	27,939
Other	2,000	2,000	5,653	3,653
Total revenues	<u>8,399,954</u>	<u>8,622,954</u>	<u>9,725,873</u>	<u>1,102,919</u>
<b>OPERATING EXPENDITURES</b>				
Administration	96,550	96,550	64,957	31,593
Operations support	3,081,190	3,248,793	3,292,360	(43,567)
Special events	318,070	331,745	787,281	(455,536)
Birthday parties	58,510	58,692	22,589	36,103
Aquatics	2,029,925	2,082,217	1,750,151	332,066
Athletics	1,022,240	1,057,892	1,189,241	(131,349)
Cultural arts	324,440	198,614	178,690	19,924
Fitness and wellness	444,063	455,351	396,740	58,611
Youth programs	641,452	873,026	845,519	27,507
Therapeutic Recreation	-	133,460	127,287	6,173
Capital outlay	350,000	532,232	263,778	268,454
Total operating expenditures	<u>8,366,440</u>	<u>9,068,572</u>	<u>8,918,593</u>	<u>149,979</u>
Total expenditures	<u>8,366,440</u>	<u>9,068,572</u>	<u>8,918,593</u>	<u>149,979</u>
Excess (deficiency) of revenues over (under) expenditures	<u>33,514</u>	<u>(445,618)</u>	<u>807,280</u>	<u>1,252,898</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	<u>(80,000)</u>	<u>(137,750)</u>	<u>(84,417)</u>	<u>53,333</u>
Total other financing sources (uses)	<u>(80,000)</u>	<u>(137,750)</u>	<u>(84,417)</u>	<u>53,333</u>
Net change in funds available	(46,486)	(583,368)	722,863	1,306,231
Funds available - January 1	<u>1,238,433</u>	<u>1,768,375</u>	<u>1,768,375</u>	-
Funds available - December 31	<u>\$ 1,191,947</u>	<u>\$ 1,185,007</u>	<u>\$ 2,491,238</u>	<u>\$ 1,306,231</u>
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ 722,863	
Depreciation expense			(415,391)	
Capital outlay			263,778	
Loss on disposal of capital assets			(86,818)	
Accrued leave			(17,525)	
Change in net position			<u>\$ 466,907</u>	

TOWN OF CASTLE ROCK, COLORADO

DEVELOPMENT SERVICES FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for services	\$ 8,003,000	\$ 8,003,000	\$ 6,778,164	\$ (1,224,836)
Investment earnings	89,946	89,946	(57,798)	(147,744)
Total revenues	8,092,946	8,092,946	6,720,366	(1,372,580)
<b>OPERATING EXPENDITURES</b>				
Operations support	7,815,408	8,093,028	7,261,548	831,480
Capital outlay	-	64,250	94,209	(29,959)
Total operating expenditures	7,815,408	8,157,278	7,355,757	801,521
Excess (deficiency) of revenues over (under) expenditures	277,538	(64,332)	(635,391)	(571,059)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers out	(45,000)	(45,000)	-	(45,000)
Total other financing sources (uses)	(45,000)	(45,000)	-	(45,000)
Net change in funds available	232,538	(109,332)	(635,391)	(526,059)
Funds available - January 1	5,493,376	6,207,136	6,207,136	-
Funds available - December 31	\$ 5,725,914	\$ 6,097,804	\$ 5,571,745	\$ (526,059)
<b>RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)</b>				
Net change in funds available			\$ (635,391)	
Capital outlay			94,209	
Depreciation expense			(136,317)	
Loss on disposal of capital assets			(119,169)	
Accrued leave			(64,603)	
Change in net position			\$ (861,271)	

## **INTERNAL SERVICE FUNDS**

Internal service funds account for the financing of goods or services provided by one department to another. Revenues are from user charges to funds and departments, which are calculated on a cost reimbursement basis.

### **Employee Benefits Fund**

The Employee Benefits Fund accounts for the accumulation and payment of health insurance claims; for the payment of premiums for various employee insurance policies (life insurance, long-term disability, accidental death and dismemberment, stop-loss insurance) and for the payment of fees to third-party administrators; and for disbursement of cafeteria plan monies.

### **Fleet Services Fund**

The Fleet Services Fund accounts for centralized acquisition and maintenance of Town owned vehicles. Operations and vehicle replacements are funded by charges to user departments.

**TOWN OF CASTLE ROCK, COLORADO**

**INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF NET POSITION**

**DECEMBER 31, 2022**

	<b>Employee Benefits</b>	<b>Fleet Services</b>	<b>Total Internal Service Funds</b>
<b>ASSETS</b>			
Current Assets			
Cash and cash equivalents	\$ 3,536,235	\$ 9,021,705	\$ 12,557,940
Investments	2,069,972	142,216	2,212,188
Receivables	192,725	1,725	194,450
Prepaid items	-	3,551	3,551
Total current assets	<u>5,798,932</u>	<u>9,169,197</u>	<u>14,968,129</u>
Non-current Assets			
Capital assets			
Buildings and improvements	-	43,590	43,590
Machinery and equipment	-	28,354,524	28,354,524
Construction in progress	-	983,403	983,403
Accumulated depreciation	-	(22,371,877)	(22,371,877)
Total non-current assets	<u>-</u>	<u>7,009,640</u>	<u>7,009,640</u>
Total assets	<u>5,798,932</u>	<u>16,178,837</u>	<u>21,977,769</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	587,292	42,554	629,846
Unearned revenues	709,822	-	709,822
Current portion of accrued leave	-	35,478	35,478
Total current liabilities	<u>1,297,114</u>	<u>78,032</u>	<u>1,375,146</u>
Total liabilities	<u>1,297,114</u>	<u>78,032</u>	<u>1,375,146</u>
<b>NET POSITION</b>			
Net investment in capital assets	-	7,000,308	7,000,308
Unrestricted	<u>4,501,818</u>	<u>9,100,497</u>	<u>13,602,315</u>
Total net position	<u>\$ 4,501,818</u>	<u>\$ 16,100,805</u>	<u>\$ 20,602,623</u>

**TOWN OF CASTLE ROCK, COLORADO**

**INTERNAL SERVICE FUNDS**

**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2022**

	<b>Employee Benefits</b>	<b>Fleet Services</b>	<b>Total Internal Service Funds</b>
<b>OPERATING REVENUES</b>			
Charges for services	\$ 8,399,844	\$ 5,407,829	\$ 13,807,673
Other	2,200,893	5,469	2,206,362
Total operating revenues	<u>10,600,737</u>	<u>5,413,298</u>	<u>16,014,035</u>
<b>OPERATING EXPENSES</b>			
Cost of sales and services	9,396,427	1,521,911	10,918,338
Depreciation	-	3,029,083	3,029,083
Total operating expenses	<u>9,396,427</u>	<u>4,550,994</u>	<u>13,947,421</u>
Operating income (loss)	<u>1,204,310</u>	<u>862,304</u>	<u>2,066,614</u>
<b>NON-OPERATING REVENUES/(EXPENSES)</b>			
Investment earnings	(30,544)	47,840	17,296
Gain on disposal of capital assets	-	7,473	7,473
Total non-operating revenues/(expenses)	<u>(30,544)</u>	<u>55,313</u>	<u>24,769</u>
Net income (loss) before contributions and transfers	1,173,766	917,617	2,091,383
<b>CONTRIBUTIONS AND TRANSFERS</b>			
Transfers in	-	1,709,241	1,709,241
Total contributions and transfers	<u>-</u>	<u>1,709,241</u>	<u>1,709,241</u>
Change in net position	1,173,766	2,626,858	3,800,624
Total net position - January 1	<u>3,328,052</u>	<u>13,473,947</u>	<u>16,801,999</u>
Total net position - December 31	<u>\$ 4,501,818</u>	<u>\$ 16,100,805</u>	<u>\$ 20,602,623</u>

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Employee Benefits	Fleet Services	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 2,230,454	\$ 5,734	\$ 2,236,188
Receipts from interfund services provided	8,399,844	5,407,829	13,807,673
Payments to suppliers	(8,984,908)	(784,278)	(9,769,186)
Payments to employees	(175,084)	(769,872)	(944,956)
Net cash provided by operating activities	<u>1,470,306</u>	<u>3,859,413</u>	<u>5,329,719</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Cash transfers in	-	1,709,241	1,709,241
Net cash provided by non-capital financing activities	<u>-</u>	<u>1,709,241</u>	<u>1,709,241</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition of capital assets	-	(3,509,319)	(3,509,319)
Proceeds from sale of capital assets	-	175,502	175,502
Net cash used in capital and related financing activities	<u>-</u>	<u>(3,333,817)</u>	<u>(3,333,817)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment earnings	47,718	53,217	100,935
Increase in equity in pooled investments	(36,626)	(2,517)	(39,143)
Net cash provided by investing activities	<u>11,092</u>	<u>50,700</u>	<u>61,792</u>
Net increase in cash and cash equivalents	1,481,398	2,285,537	3,766,935
Cash and cash equivalents - January 1	2,054,837	6,736,168	8,791,005
Cash and cash equivalents - December 31	<u>\$ 3,536,235</u>	<u>\$ 9,021,705</u>	<u>\$ 12,557,940</u>
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION</b>			
Unrestricted cash and cash equivalents	\$ 3,536,235	\$ 9,021,705	\$ 12,557,940
Total cash and cash equivalents	<u>\$ 3,536,235</u>	<u>\$ 9,021,705</u>	<u>\$ 12,557,940</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income	\$ 1,204,310	\$ 862,304	\$ 2,066,614
Adjustments to reconcile operating income (loss) from operations to net cash provided by operating activities			
Depreciation	-	3,029,083	3,029,083
(Increase) decrease in assets			
Accounts receivable	(30,482)	265	(30,217)
Prepaid items	220,625	2,311	222,936
Increase (decrease) in liabilities			
Accounts payable	15,809	3,518	19,327
Accrued leave	-	(38,068)	(38,068)
Unearned revenue	60,044	-	60,044
Total adjustments	<u>265,996</u>	<u>2,997,109</u>	<u>3,263,105</u>
Net cash provided by operating activities	<u>\$ 1,470,306</u>	<u>\$ 3,859,413</u>	<u>\$ 5,329,719</u>
<b>NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>			
Payables incurred for purchase of capital assets	\$ -	\$ (9,332)	\$ (9,332)
Decrease in fair value of investments	(78,262)	(5,377)	(83,639)
Noncash investing, capital and financing activities	<u>\$ (78,262)</u>	<u>\$ (14,709)</u>	<u>\$ (92,971)</u>

TOWN OF CASTLE ROCK, COLORADO

EMPLOYEE BENEFITS FUND

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE

BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

FOR THE YEAR ENDED DECEMBER 31, 2022

	Budgets		Budgetary Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 9,646,500	\$ 9,646,500	\$ 8,399,844	\$ (1,246,656)
Investment earnings	103,384	103,384	(30,544)	(133,928)
Other	2,338,568	2,338,568	2,200,893	(137,675)
Total revenues	12,088,452	12,088,452	10,570,193	(1,518,259)
<b>EXPENDITURES</b>				
Operations	11,255,213	11,256,220	9,396,427	1,859,793
Total expenditures	11,255,213	11,256,220	9,396,427	1,859,793
Net change in funds available	833,239	832,232	1,173,766	341,534
Funds available - January 1	3,093,955	3,328,052	3,328,052	-
Funds available - December 31	\$ 3,927,194	\$ 4,160,284	\$ 4,501,818	\$ 341,534

**TOWN OF CASTLE ROCK, COLORADO**

**FLEET FUND**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE**

**BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)**

**FOR THE YEAR ENDED DECEMBER 31, 2022**

	Budgets		Budgetary Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
<b>REVENUES</b>				
Charges for services	\$ 4,992,460	\$ 4,992,460	\$ 5,407,829	\$ 415,369
Investment earnings	21,781	21,781	47,840	26,059
Transfers in	1,257,824	2,284,607	1,709,241	(575,366)
Proceeds from sale of capital assets	287,570	287,570	175,502	(112,068)
Other	-	-	5,469	5,469
Total revenues	6,559,635	7,586,418	7,345,881	(240,537)
<b>EXPENDITURES</b>				
Operations	1,479,537	1,494,255	1,559,979	(65,724)
Capital outlay	3,519,440	4,625,636	3,518,651	1,106,985
Total expenditures	4,998,977	6,119,891	5,078,630	1,041,261
Net change in funds available	1,560,658	1,466,527	2,267,251	800,724
Funds available - January 1	4,511,175	6,847,991	6,847,991	-
Funds available - December 31	\$ 6,071,833	\$ 8,314,518	\$ 9,115,242	\$ 800,724

**RECONCILIATION OF NET CHANGE IN FUNDS  
AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)**

Net change in funds available	\$ 2,267,251
Depreciation expense	(3,029,083)
Capital outlay	3,518,651
Proceeds from sale of capital assets	(175,502)
Gain on disposal of capital assets	7,473
Accrued leave	38,068
Change in net position	\$ 2,626,858

## **CUSTODIAL FUNDS**

Custodial funds are used to report fiduciary activities that are not held in a trust or equivalent arrangement for individuals, organizations and other governments.

### **Add-On PIF Fund**

The Add-On PIF Fund is a custodial fund used to account for the receipt and disbursement of the add-on public improvement fee (PIF) collected on sales transactions in the Promenade retail center and the Encore project.

### **Special District Fee Fund**

The Special District Fee Fund is a custodial fund used to account for receipt and disbursement of the Meadows District imposed capital reserve fee.

### **Use Tax Fund**

The Use Tax Fund is a custodial fund used to account for the receipt and disbursement of Douglas County's 1.00% portion of the use tax imposed on construction materials that are utilized in the construction of real property.

### **Authority Development Fee Fund**

The Authority Development Fee Fund is a custodial fund used to account for the receipt and disbursement of the Cherry Creek Basin Water Quality Authority's imposed Development Fee.

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS

COMBINING STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUNDS

DECEMBER 31, 2022

	Add-On PIF Fund	Special District Fee Fund	Use Tax Fund	Authority Development Fee Fund	Total Custodial Funds
<b>ASSETS</b>					
Cash and cash equivalents	\$ 66,357	\$ 3,621	\$ 68,518	\$ 600	\$ 139,096
Accounts receivable	59,605	-	-	-	59,605
Total assets	<u>125,962</u>	<u>3,621</u>	<u>68,518</u>	<u>600</u>	<u>198,701</u>
<b>LIABILITIES</b>					
Accounts payable	-	-	685	-	685
Due to organizations and other governments	125,962	3,621	67,833	600	198,016
Total liabilities	<u>125,962</u>	<u>3,621</u>	<u>68,518</u>	<u>600</u>	<u>198,701</u>
<b>NET POSITION</b>					
Net position restricted for organizations and other governments	-	-	-	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2022

	Add-On PIF Fund	Special District Fee Fund	Use Tax Fund	Authority Development Fee Fund	Total Custodial Funds
<b>ADDITIONS</b>					
Fee and permit collections for other governments	\$ 579,066	\$ 508,185	\$ -	\$ 8,880	\$ 1,096,131
Tax collections for other governments	-	-	1,747,100	-	1,747,100
Total additions	579,066	508,185	1,747,100	8,880	2,843,231
<b>DEDUCTIONS</b>					
Payments of fees and permits to other governments	579,066	506,915	-	8,820	1,094,801
Payments of taxes to other governments	-	-	1,697,113	-	1,697,113
Payments of refunds	-	-	43,987	60	44,047
Administrative expense	-	1,270	6,000	-	7,270
Total deductions	579,066	508,185	1,747,100	8,880	2,843,231
Net increase (decrease) in fiduciary net position	-	-	-	-	-
Net position - beginning	-	-	-	-	-
Net position - ending	\$ -	\$ -	\$ -	\$ -	\$ -



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## **STATISTICAL SECTION**

**Financial Trends**

**Revenue Capacity**

**Debt Capacity**

**Demographic and Economic Information**

**Operating Information**

## STATISTICAL SECTION

This section of the Town of Castle Rock's Annual Comprehensive Financial Report provides detailed information to help readers better understand what the information in the financial statements, note disclosures, and required supplemental information says about the Town's overall financial health.

### **TABLE OF CONTENTS**

### **Page**

#### **Financial Trends**

159

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

#### **Revenue Capacity**

171

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

#### **Debt Capacity**

189

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

#### **Demographic and Economic Information**

198

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

#### **Operating Information**

204

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

**Sources:** Unless otherwise noted, the information in the following schedules is derived from the annual comprehensive financial reports for the relevant years.



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## Financial Trends

**TOWN OF CASTLE ROCK, COLORADO**

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

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b><u>GOVERNMENTAL ACTIVITIES</u></b>				
Net investment in capital assets	\$ 201,422,904	\$ 254,066,717	\$ 281,695,831	\$ 302,585,569
Restricted	70,760,651	8,223,087	11,447,113	11,435,201
Unrestricted	23,335,029	52,846,664	36,287,969	38,993,869
Total governmental activities net position	<u>295,518,584</u>	<u>315,136,468</u>	<u>329,430,913</u>	<u>353,014,639</u>
<b><u>BUSINESS-TYPE ACTIVITIES</u></b>				
Net investment in capital assets	314,819,483	333,160,111	343,865,979	367,831,717
Unrestricted	<u>135,789,073</u>	<u>143,859,391</u>	<u>164,510,149</u>	<u>178,911,069</u>
Total business-type activities net position	<u>450,608,556</u>	<u>477,019,502</u>	<u>508,376,128</u>	<u>546,742,786</u>
<b><u>PRIMARY GOVERNMENT</u></b>				
Net investment in capital assets	516,242,387	587,226,828	625,561,810	670,417,286
Restricted	70,760,651	8,223,087	11,447,113	11,435,201
Unrestricted	<u>159,124,102</u>	<u>196,706,055</u>	<u>200,798,118</u>	<u>217,904,938</u>
Total primary government net position	<u>\$ 746,127,140</u>	<u>\$ 792,155,970</u>	<u>\$ 837,807,041</u>	<u>\$ 899,757,425</u>

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$	313,943,660	\$ 332,762,370	\$ 361,694,721	\$ 376,706,367	\$ 395,257,608	\$ 427,363,359
	14,486,482	19,853,075	16,884,859	29,327,323	69,256,816	84,646,223
	41,495,945	47,989,843	49,179,639	64,958,841	70,971,365	86,398,745
	<u>369,926,087</u>	<u>400,605,288</u>	<u>427,759,219</u>	<u>470,992,531</u>	<u>535,485,789</u>	<u>598,408,327</u>
	444,474,020	473,027,666	512,559,768	567,915,608	610,487,873	654,546,145
	138,557,064	150,221,369	134,822,353	130,333,154	167,942,002	839,658,781
	<u>583,031,084</u>	<u>623,249,035</u>	<u>647,382,121</u>	<u>698,248,762</u>	<u>778,429,875</u>	<u>1,494,204,926</u>
	758,417,680	805,790,036	874,254,489	944,621,975	1,005,745,481	1,081,909,504
	14,486,482	19,853,075	16,884,859	29,327,323	69,256,816	84,646,223
	180,053,009	198,211,212	184,001,992	195,291,995	238,913,367	926,057,526
\$	<u>952,957,171</u>	<u>\$ 1,023,854,323</u>	<u>\$ 1,075,141,340</u>	<u>\$ 1,169,241,293</u>	<u>\$ 1,313,915,664</u>	<u>\$ 2,092,613,253</u>

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>EXPENSES</u></b>				
Governmental activities:				
General government	\$ 10,752,935	\$ 16,404,854	\$ 15,160,901	\$ 14,023,404
Public safety	18,177,110	20,150,643	22,476,557	23,951,068
Public works	18,765,794	19,233,864	22,300,425	25,769,578
Cultural and recreation	5,013,020	5,617,151	6,501,612	7,677,894
Interest on long-term debt	1,900,445	1,695,011	1,641,360	1,445,842
Total governmental activities expenses	<u>54,609,304</u>	<u>63,101,523</u>	<u>68,080,855</u>	<u>72,867,786</u>
Business-type activities:				
Water	13,790,680	13,259,467	14,462,500	14,817,848
Water resources	3,505,791	4,406,190	4,555,574	5,925,682
Stormwater	2,752,781	3,047,542	3,493,118	4,117,364
Wastewater	8,023,526	8,231,592	7,985,659	8,054,679
Golf	2,312,927	2,426,425	2,723,815	2,777,471
Community center	4,611,098	5,117,001	6,210,318	6,600,250
Development services	3,113,710	3,763,554	4,346,027	5,315,651
Other non-major enterprises*	-	-	-	-
Total business-type activities expenses	<u>38,110,513</u>	<u>40,251,771</u>	<u>43,777,011</u>	<u>47,608,945</u>
<b><u>PROGRAM REVENUES</u></b>				
Governmental activities:				
Charges for services:				
General government	3,398,349	3,499,635	3,950,825	3,830,017
Public safety	2,978,129	2,748,927	3,003,469	3,263,779
Public works	2,393,368	2,086,424	2,283,891	3,248,842
Cultural and recreation	2,699,234	2,342,764	2,389,953	3,219,809
Operating grants and contributions	6,415,121	5,930,735	4,798,880	4,465,204
Capital grants and contributions	4,233,013	17,746,543	10,285,470	18,645,995
Total governmental activities program revenues	<u>22,117,214</u>	<u>34,355,028</u>	<u>26,712,488</u>	<u>36,673,646</u>
Business-type activities:				
Charges for services:				
Water	12,272,368	11,484,921	13,027,856	14,393,516
Water resources	6,691,043	7,110,200	7,672,085	8,206,834
Stormwater	1,991,406	2,331,881	2,239,481	2,609,893
Wastewater	8,634,009	8,759,397	9,259,550	9,691,906
Golf	2,677,310	2,773,387	2,783,584	2,971,846
Community center	2,670,239	3,062,365	3,862,296	3,852,074
Development services	4,622,507	4,052,836	4,677,648	6,292,090
Other non-major enterprises*	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	20,162,551	22,959,052	28,827,928	34,394,316
Total business-type activities program revenues	<u>59,721,433</u>	<u>62,534,039</u>	<u>72,350,428</u>	<u>82,412,475</u>
Total primary government program revenues	<u>\$ 81,838,647</u>	<u>\$ 96,889,067</u>	<u>\$ 99,062,916</u>	<u>\$ 119,086,121</u>

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

	2017	2018	2019	2020	2021	2022
\$	15,237,806	\$ 16,128,883	\$ 17,615,169	\$ 19,217,793	\$ 17,709,336	\$ 19,403,131
	26,837,846	28,499,674	31,616,925	30,340,170	33,985,779	35,469,608
	27,654,814	29,833,280	37,096,813	32,326,601	35,162,525	41,974,362
	7,590,806	8,201,097	7,995,062	8,360,633	9,020,980	9,158,249
	1,450,707	1,428,837	1,337,305	1,237,504	1,133,978	1,079,962
	<u>78,771,979</u>	<u>84,091,771</u>	<u>95,661,274</u>	<u>91,482,701</u>	<u>97,012,598</u>	<u>107,085,312</u>
	14,838,232	15,599,176	18,519,142	18,921,743	19,025,891	20,849,577
	6,291,869	8,695,784	9,849,461	10,777,309	12,868,540	15,840,089
	4,004,389	4,256,104	4,480,720	4,922,935	5,333,462	6,128,517
	11,365,376	22,442,714	25,748,740	10,161,425	6,227,938	11,474,612
	2,879,397	2,874,399	3,020,217	3,104,291	-	-
	6,691,990	7,087,816	8,084,639	6,214,007	-	-
	5,831,788	5,758,964	6,233,635	6,779,057	-	-
	-	-	-	-	18,072,040	20,276,020
	<u>51,903,041</u>	<u>66,714,957</u>	<u>75,936,554</u>	<u>60,880,767</u>	<u>61,527,871</u>	<u>74,568,815</u>
	4,213,469	4,414,744	4,256,832	5,152,731	5,305,672	4,914,803
	3,638,038	4,065,404	4,001,601	4,568,332	5,978,196	4,563,587
	3,407,838	6,312,477	6,473,501	12,479,568	13,385,762	9,047,055
	3,356,506	4,114,858	3,460,974	7,399,434	10,567,882	6,692,637
	4,614,103	5,356,759	6,973,214	12,496,755	13,743,420	18,059,039
	12,562,716	19,443,668	24,506,240	17,892,285	24,557,232	30,341,390
	<u>31,792,670</u>	<u>43,707,910</u>	<u>49,672,362</u>	<u>59,989,105</u>	<u>73,538,164</u>	<u>73,618,511</u>
	17,210,558	16,186,541	18,236,901	19,557,916	18,312,568	19,663,445
	10,537,762	11,459,270	16,465,907	13,410,716	13,731,510	13,987,054
	3,478,385	4,222,729	4,049,342	3,785,567	4,283,861	4,145,025
	10,300,046	11,236,722	11,214,673	11,271,632	11,955,017	11,631,955
	3,057,548	3,132,347	3,189,851	3,629,195	-	-
	3,804,710	3,908,721	4,430,672	1,962,493	-	-
	5,720,631	6,492,172	6,304,317	7,567,736	-	-
	-	-	-	-	15,675,271	15,707,019
	-	-	-	-	10,092,190	-
	29,859,373	46,318,722	30,603,260	44,344,837	63,403,645	66,455,355
	<u>83,969,013</u>	<u>102,957,224</u>	<u>94,494,923</u>	<u>105,530,092</u>	<u>137,454,062</u>	<u>131,589,853</u>
\$	<u>115,761,683</u>	<u>\$ 146,665,134</u>	<u>\$ 144,167,285</u>	<u>\$ 165,519,197</u>	<u>\$ 210,992,226</u>	<u>\$ 205,208,364</u>

**TOWN OF CASTLE ROCK, COLORADO**

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>NET (EXPENSE) REVENUE</u></b>				
Governmental activities	\$ (32,492,090)	\$ (28,746,495)	\$ (41,368,367)	\$ (36,194,140)
Business-type activities	21,610,920	22,282,268	28,573,417	34,803,530
Total primary government net expense	<u>\$ (10,881,170)</u>	<u>\$ (6,464,227)</u>	<u>\$ (12,794,950)</u>	<u>\$ (1,390,610)</u>
<b><u>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</u></b>				
Governmental activities				
Taxes				
Property taxes	\$ 957,883	\$ 1,004,072	\$ 1,024,564	\$ 1,094,337
Sales taxes	33,321,579	35,698,294	38,526,092	41,632,958
Use taxes	5,449,404	4,613,694	5,033,746	7,671,139
Motor vehicle	4,327,109	4,963,693	5,694,180	6,125,671
Other taxes	2,312,906	2,519,409	2,626,034	2,683,156
Interest and investment earnings	99,790	335,763	274,086	322,843
Other revenues	251,632	363,420	710,521	303,285
Transfers	1,486,707	(1,133,966)	240,024	(55,523)
Total governmental activities	<u>48,207,010</u>	<u>48,364,379</u>	<u>54,129,247</u>	<u>59,777,866</u>
Business-type activities				
Taxes	2,266,010	2,391,546	2,519,151	2,791,379
Interest and investment earnings	134,476	603,166	504,082	716,226
Transfers	(1,486,707)	1,133,966	(240,024)	55,523
Total business-type activities	<u>913,779</u>	<u>4,128,678</u>	<u>2,783,209</u>	<u>3,563,128</u>
Total primary government	<u>\$ 49,120,789</u>	<u>\$ 52,493,057</u>	<u>\$ 56,912,456</u>	<u>\$ 63,340,994</u>
<b><u>CHANGE IN NET POSITION</u></b>				
Governmental activities	\$ 15,714,920	\$ 19,617,884	\$ 12,760,880	\$ 23,583,726
Business-type activities	22,524,699	26,410,946	31,356,626	38,366,658
Total primary government	<u>\$ 38,239,619</u>	<u>\$ 46,028,830</u>	<u>\$ 44,117,506</u>	<u>\$ 61,950,384</u>

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
\$	(46,979,309)	\$ (40,383,861)	\$ (45,988,912)	\$ (31,493,596)	\$ (23,474,434)	\$ (33,466,801)
	32,065,972	36,242,267	18,558,369	44,649,325	75,926,191	57,021,038
\$	<u>(14,913,337)</u>	<u>\$ (4,141,594)</u>	<u>\$ (27,430,543)</u>	<u>\$ 13,155,729</u>	<u>\$ 52,451,757</u>	<u>\$ 23,554,237</u>
\$	1,174,213	\$ 1,330,579	\$ 1,483,121	\$ 1,744,657	\$ 2,241,457	\$ 2,250,020
	45,412,814	48,608,882	50,729,264	52,468,081	60,835,980	68,414,260
	7,358,941	8,861,469	8,080,760	10,103,705	10,526,679	11,080,460
	6,334,416	6,808,761	7,560,750	6,296,757	10,377,638	9,669,402
	2,804,922	2,919,175	3,111,497	2,887,574	3,271,042	3,745,319
	491,214	1,000,045	1,589,888	1,215,566	(31,821)	130,589
	233,717	229,881	135,487	198,225	711,458	829,555
	80,520	1,304,270	452,076	(187,657)	35,259	269,734
	<u>63,890,757</u>	<u>71,063,062</u>	<u>73,142,843</u>	<u>74,726,908</u>	<u>87,967,692</u>	<u>96,389,339</u>
	3,027,602	3,277,885	3,406,474	3,675,008	4,450,988	4,738,781
	1,275,244	2,002,069	2,620,319	2,354,651	(160,807)	(261,179)
	(80,520)	(1,304,270)	(452,076)	187,657	(35,259)	-
	<u>4,222,326</u>	<u>3,975,684</u>	<u>5,574,717</u>	<u>6,217,316</u>	<u>4,254,922</u>	<u>4,477,602</u>
\$	<u>68,113,083</u>	<u>\$ 75,038,746</u>	<u>\$ 78,717,560</u>	<u>\$ 80,944,224</u>	<u>\$ 92,222,614</u>	<u>\$ 100,866,941</u>
\$	16,911,448	\$ 30,679,201	\$ 27,153,931	\$ 43,233,312	\$ 64,493,258	\$ 96,389,339
	36,288,298	40,217,951	24,133,086	50,866,641	80,181,113	4,207,868
\$	<u>53,199,746</u>	<u>\$ 70,897,152</u>	<u>\$ 51,287,017</u>	<u>\$ 94,099,953</u>	<u>\$ 144,674,371</u>	<u>\$ 100,597,207</u>

**TOWN OF CASTLE ROCK, COLORADO**

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

<b>REVENUE SOURCE</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>PROGRAM REVENUES</b>				
Charges for services	\$ 51,027,962	\$ 50,252,737	\$ 55,150,638	\$ 61,580,606
Operating grants and contributions	6,415,121	5,930,735	4,798,880	4,465,204
Capital grants and contributions	24,395,564	40,705,595	39,113,398	53,040,311
Total program revenues	81,838,647	96,889,067	99,062,916	119,086,121
<b>GENERAL REVENUES</b>				
Property taxes	957,883	1,004,072	1,024,564	1,094,337
Sales taxes	35,064,818	37,566,668	40,476,326	43,742,356
Use tax-building and motor vehicle	10,299,284	10,100,559	11,296,843	14,478,791
Other taxes	2,312,906	2,519,409	2,626,034	2,683,156
Investment earnings	234,266	938,929	778,168	1,039,069
Lease interest	-	-	-	-
Other	251,632	363,420	710,521	303,285
Total general revenues	49,120,789	52,493,057	56,912,456	63,340,994
Total revenues	\$ 130,959,436	\$ 149,382,124	\$ 155,975,372	\$ 182,427,115

	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$	68,725,491	\$ 75,545,985	\$ 82,084,571	\$ 90,785,320	\$ 99,195,739	\$ 91,019,544
	4,614,103	5,356,759	6,973,214	12,496,755	23,835,610	18,059,039
	42,422,089	65,762,390	55,109,500	62,237,122	87,960,877	96,129,781
	<u>115,761,683</u>	<u>146,665,134</u>	<u>144,167,285</u>	<u>165,519,197</u>	<u>210,992,226</u>	<u>205,208,364</u>
	1,174,213	1,330,579	1,483,121	1,744,657	2,241,457	2,250,020
	47,732,084	51,064,615	53,320,475	55,296,880	64,093,052	72,110,480
	14,401,689	16,492,382	16,456,773	17,246,671	22,098,233	21,792,423
	2,804,922	2,919,175	3,111,497	2,887,574	3,271,042	3,745,319
	1,766,458	3,002,114	4,210,207	3,570,217	(192,628)	(190,293)
	-	-	-	-	-	59,703
	233,717	229,881	135,487	198,225	711,458	829,555
	<u>68,113,083</u>	<u>75,038,746</u>	<u>78,717,560</u>	<u>80,944,224</u>	<u>92,222,614</u>	<u>100,597,207</u>
\$	<u>183,874,766</u>	<u>\$ 221,703,880</u>	<u>\$ 222,884,845</u>	<u>\$ 246,463,421</u>	<u>\$ 303,214,840</u>	<u>\$ 305,805,571</u>

**TOWN OF CASTLE ROCK, COLORADO**

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>GENERAL FUND</u></b>				
Nonspendable	\$ 2,394,370	\$ 2,310,718	\$ 2,634,861	\$ 2,724,800
Restricted	1,392,346	1,492,076	1,633,328	1,670,055
Committed	5,948,954	2,995,860	3,011,282	4,632,978
Assigned	986,870	270,941	876,594	220,782
Unassigned	12,135,511	13,929,961	13,905,280	16,148,395
Total general fund	<u>\$ 22,858,051</u>	<u>\$ 20,999,556</u>	<u>\$ 22,061,345</u>	<u>\$ 25,397,010</u>
<b><u>ALL OTHER GOVERNMENTAL FUNDS</u></b>				
Nonspendable	\$ 38,230	\$ 36,208	\$ 851,972	\$ 57,940
Restricted	32,760,951	6,731,011	7,963,605	7,729,860
Committed	36,569,124	31,480,395	14,832,926	14,037,404
Unassigned	(812,262)	(717,329)	(2,424,048)	(1,050,283)
Total all other governmental funds	<u>\$ 68,556,043</u>	<u>\$ 37,530,285</u>	<u>\$ 21,224,455</u>	<u>\$ 20,774,921</u>

<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 6,273,689	\$ 5,433,140	\$ 4,591,792	\$ 3,451,699	\$ 2,562,431	\$ 2,599,422
1,754,607	1,898,642	2,052,460	11,881,852	14,132,450	14,339,771
5,561,036	6,390,596	5,164,845	7,475,925	6,990,816	8,866,834
1,501,424	6,057,187	2,145,008	3,077,600	2,797,363	11,242,850
14,319,577	12,517,874	15,592,815	21,102,116	20,592,991	19,494,257
<b>\$ 29,410,333</b>	<b>\$ 32,297,439</b>	<b>\$ 29,546,920</b>	<b>\$ 46,989,192</b>	<b>\$ 47,076,051</b>	<b>\$ 56,543,134</b>
\$ 63,269	\$ 65,643	\$ 72,486	\$ 77,008	\$ 75,306	\$ 3,922,453
10,843,652	16,322,110	14,832,399	26,632,223	52,714,891	59,696,328
13,306,523	16,030,561	12,430,285	21,125,135	28,699,195	29,141,748
(1,318,438)	(3,042,089)	(2,641,730)	(930,030)	(295,665)	(258,581)
<b>\$ 22,895,006</b>	<b>\$ 29,376,225</b>	<b>\$ 24,693,440</b>	<b>\$ 46,904,336</b>	<b>\$ 81,193,727</b>	<b>\$ 92,501,948</b>

**TOWN OF CASTLE ROCK, COLORADO**

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>REVENUES</u></b>				
Taxes				
Property	\$ 957,883	\$ 1,004,072	\$ 1,024,564	\$ 1,094,337
Sales	33,321,579	35,698,294	38,526,092	41,632,958
Use	5,449,404	4,613,694	5,033,746	7,671,139
Motor vehicle	4,327,109	4,963,693	5,694,180	6,125,671
Other	2,312,906	2,519,409	2,626,034	2,683,156
Development impact fees	5,864,237	5,684,787	5,691,343	7,607,698
Licenses and permits	212,174	192,421	232,611	232,540
Charges for services	1,820,335	1,813,775	1,979,765	2,244,591
Management fees	2,501,728	2,489,606	2,770,586	2,886,561
Fines and forfeitures	361,104	542,459	815,713	440,519
Intergovernmental	5,598,398	5,680,885	7,751,453	5,692,037
Investment earnings	93,667	316,903	255,876	296,617
Contributions and donations	848,837	791,224	604,013	581,070
Other	552,048	543,221	895,230	457,493
Total revenues	<u>64,221,409</u>	<u>66,854,443</u>	<u>73,901,206</u>	<u>79,646,387</u>
<b><u>EXPENDITURES</u></b>				
Current				
General government	9,711,316	15,328,617	12,756,053	12,308,420
Public safety	18,362,513	19,917,911	22,187,805	23,545,337
Public works	9,712,423	10,009,814	13,155,869	15,706,515
Culture and recreation	3,384,239	3,668,965	3,929,160	4,858,749
Capital Outlay	13,354,103	46,800,960	33,319,262	19,132,373
Debt service				
Principal	1,049,880	1,605,087	1,742,800	1,802,801
Interest	1,330,288	1,808,034	1,748,126	1,583,329
Debt issue costs	555,661	-	-	159,890
Agency fees	400	2,700	2,700	2,625
Total expenditures	<u>57,460,823</u>	<u>99,142,088</u>	<u>88,841,775</u>	<u>79,100,039</u>
Excess of revenues over (under) expenditures	<u>6,760,586</u>	<u>(32,287,645)</u>	<u>(14,940,569)</u>	<u>546,348</u>
<b><u>OTHER FINANCING SOURCES (USES)</u></b>				
Inception of capital lease	-	938,402	-	-
Certificates of Participation	9,245,000	-	-	-
Bond issuance	20,000,000	-	-	7,405,000
Notes Payable	-	-	-	2,500,000
Premium (discount) on bonds	2,629,470	-	-	1,389,503
Transfers in	17,155,293	11,015,492	6,973,840	8,130,962
Payment to escrow agent	-	-	-	(8,659,717)
Transfers out	(16,370,405)	(12,550,502)	(7,277,312)	(8,425,965)
Total other financing sources (uses)	<u>32,659,358</u>	<u>(596,608)</u>	<u>(303,472)</u>	<u>2,339,783</u>
Net change in fund balances Fund balances	<u>\$ 39,419,944</u>	<u>\$ (32,884,253)</u>	<u>\$ (15,244,041)</u>	<u>\$ 2,886,131</u>
Debt service as a percentage of noncapital expenditures	<u>5.40%</u>	<u>6.52%</u>	<u>6.29%</u>	<u>5.65%</u>

	2017	2018	2019	2020	2021	2022
\$	1,174,213	\$ 1,330,579	\$ 1,483,121	\$ 1,744,657	\$ 2,241,457	\$ 2,250,020
	45,412,814	48,608,882	50,729,264	52,072,342	61,231,719	68,414,260
	7,358,941	8,861,469	8,080,760	10,103,705	10,526,679	11,080,460
	6,334,416	6,808,761	7,560,750	6,296,757	10,377,638	9,669,402
	2,804,922	2,919,175	3,111,497	2,887,574	3,271,042	3,745,319
	7,989,231	11,921,883	11,153,802	21,895,968	26,242,454	16,573,642
	242,533	236,904	272,487	264,692	265,652	373,009
	2,326,651	2,633,658	2,564,419	2,268,335	3,607,655	3,235,007
	3,274,465	3,434,368	3,421,034	4,308,917	4,304,660	4,205,990
	399,681	412,374	402,875	270,019	289,720	230,738
	4,327,153	6,084,390	8,250,439	12,313,151	15,641,097	19,333,997
	447,166	918,709	1,477,480	1,129,238	(30,161)	113,293
	792,259	658,018	1,388,440	556,530	2,406,422	3,879,273
	584,629	418,087	423,667	717,982	736,255	960,943
	83,469,074	95,247,257	100,320,035	116,829,867	141,112,289	144,065,353
	13,937,216	14,895,787	16,413,940	18,150,269	16,671,598	18,049,052
	25,971,232	29,010,161	30,490,734	29,460,283	34,096,630	38,639,903
	16,239,204	17,695,519	24,577,746	17,596,280	21,458,326	27,523,446
	4,712,621	5,341,350	5,464,112	5,007,153	6,043,312	6,365,062
	12,269,269	16,282,437	25,849,836	13,370,735	25,390,399	28,395,917
	1,277,801	1,075,000	3,720,000	1,530,000	1,580,000	1,630,000
	1,649,039	1,613,005	1,527,647	1,316,606	1,398,937	1,242,162
	-	-	-	388,511	-	-
	2,850	2,704	2,600	2,600	5,000	5,000
	76,059,232	85,915,963	108,046,615	86,822,437	106,644,202	121,850,542
	7,409,842	9,331,294	(7,726,580)	30,007,430	34,468,087	22,214,811
	-	-	-	-	-	-
	-	-	-	1,467,716	-	-
	-	-	-	27,035,000	-	-
	-	-	-	-	-	-
	-	-	-	(16,747)	-	-
	4,240,560	5,120,410	5,264,477	3,384,501	2,377,505	25,940,547
	-	-	-	(18,452,327)	-	-
	(5,516,994)	(5,083,379)	(4,971,201)	(3,772,405)	(2,469,342)	(27,380,054)
	(1,276,434)	37,031	293,276	9,645,738	(91,837)	(1,439,507)
\$	6,133,408	\$ 9,368,325	\$ (7,433,304)	\$ 39,653,168	\$ 34,376,250	\$ 20,775,304
	4.59%	3.86%	6.38%	3.88%	3.67%	3.07%



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## Revenue Capacity

**TOWN OF CASTLE ROCK, COLORADO**

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

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<b>Year</b>	<b>Property Taxes (1)</b>	<b>Sales and Use Taxes</b>	<b>Motor Vehicle</b>	<b>Other Taxes</b>	<b>Total</b>
2013	\$ 957,883	\$ 38,770,983	\$ 4,327,109	\$ 2,312,906	\$ 46,368,881
2014	1,004,072	40,311,988	4,963,693	2,519,409	48,799,162
2015	1,024,564	43,559,838	5,694,180	2,626,034	52,904,616
2016	1,094,337	49,304,097	6,125,671	2,683,156	59,207,261
2017	1,174,213	52,771,755	6,334,416	2,804,922	63,085,306
2018	1,330,579	57,470,351	6,808,761	2,919,175	68,528,866
2019	1,483,121	58,810,024	7,560,750	3,111,497	70,965,392
2020	1,744,657	62,176,047	6,296,757	2,887,574	73,105,035
2021	2,241,457	71,758,398	10,377,638	3,271,042	87,648,535
2022	2,250,020	79,494,720	9,669,402	3,745,319	95,159,461

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

**TOWN OF CASTLE ROCK, COLORADO**

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

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>GOVERNMENTAL ACTIVITIES</u></b>				
General government	\$ 10,752,935	\$ 16,404,854	\$ 15,160,901	\$ 14,023,404
Public safety	18,177,110	20,150,643	22,476,557	23,951,068
Public works	18,765,794	19,233,864	22,300,425	25,769,578
Cultural and recreation	5,013,020	5,617,151	6,501,612	7,677,894
Interest on long-term debt	1,900,445	1,695,011	1,641,360	1,445,842
Total governmental activities	<u>54,609,304</u>	<u>63,101,523</u>	<u>68,080,855</u>	<u>72,867,786</u>
<b><u>BUSINESS-TYPE ACTIVITIES</u></b>				
Water	13,790,680	13,259,467	14,462,500	14,817,848
Water resources	3,505,791	4,406,190	4,555,574	5,925,682
Stormwater	2,752,781	3,047,542	3,493,118	4,117,364
Wastewater	8,023,526	8,231,592	7,985,659	8,054,679
Golf course	2,312,927	2,426,425	2,723,815	2,777,471
Community center	4,611,098	5,117,001	6,210,318	6,600,250
Development services	3,113,710	3,763,554	4,346,027	5,315,651
Other non-major enterprises*	-	-	-	-
Total business-type activities	<u>38,110,513</u>	<u>40,251,771</u>	<u>43,777,011</u>	<u>47,608,945</u>
Total all activities	<u>\$ 92,719,817</u>	<u>\$ 103,353,294</u>	<u>\$ 111,857,866</u>	<u>\$ 120,476,731</u>

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

	2017	2018	2019	2020	2021	2022
\$	15,237,806	\$ 16,128,883	\$ 17,615,169	\$ 19,217,793	\$ 17,709,336	\$ 19,403,131
	26,837,846	28,499,674	31,616,925	30,340,170	33,985,779	35,469,608
	27,654,814	29,833,280	37,096,813	32,326,601	35,162,525	41,974,362
	7,590,806	8,201,097	7,995,062	8,360,633	9,020,980	9,158,249
	1,450,707	1,428,837	1,337,305	1,237,504	1,133,978	1,079,962
	<u>78,771,979</u>	<u>84,091,771</u>	<u>95,661,274</u>	<u>91,482,701</u>	<u>97,012,598</u>	<u>107,085,312</u>
	14,838,232	15,599,176	18,519,142	18,921,743	19,025,891	20,849,577
	6,291,869	8,695,784	9,849,461	10,777,309	12,868,540	15,840,089
	4,004,389	4,256,104	4,480,720	4,922,935	5,333,462	6,128,517
	11,365,376	22,442,714	25,748,740	10,161,425	6,227,938	11,474,612
	2,879,397	2,874,399	3,020,217	3,104,291	-	-
	6,691,990	7,087,816	8,084,639	6,214,007	-	-
	5,831,788	5,758,964	6,233,635	6,779,057	-	-
	-	-	-	-	18,072,040	20,276,020
	<u>51,903,041</u>	<u>66,714,957</u>	<u>75,936,554</u>	<u>60,880,767</u>	<u>61,527,871</u>	<u>74,568,815</u>
\$	<u>130,675,020</u>	<u>\$ 150,806,728</u>	<u>\$ 171,597,828</u>	<u>\$ 152,363,468</u>	<u>\$ 158,540,469</u>	<u>\$ 181,654,127</u>

**TOWN OF CASTLE ROCK, COLORADO**

**GOVERNMENTAL FUNDS  
GOVERNMENTAL EXPENDITURES BY FUNCTION  
LAST TEN YEARS  
TABLE 8 (UNAUDITED)**

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<b>Year</b>	<b>General Government</b>	<b>Public Safety</b>	<b>Public Works</b>	<b>Culture and Recreation</b>
2013	\$ 9,711,316	\$ 18,362,513	\$ 9,712,423	\$ 3,384,239
2014	15,328,617	19,917,911	10,009,814	3,668,965
2015	12,756,053	22,187,805	13,155,869	3,929,160
2016	12,308,420	23,545,337	15,706,515	4,858,749
2017	13,937,216	25,971,232	16,239,204	4,712,621
2018	14,895,787	29,010,161	17,695,519	5,341,350
2019	16,413,940	30,490,734	24,577,746	5,464,112
2020	18,150,269	29,460,283	17,596,280	5,007,153
2021	16,671,598	34,096,630	21,458,326	6,043,312
2022	18,049,052	38,639,903	27,523,446	6,365,062

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<b>Capital Outlay</b>	<b>Debt Service</b>	<b>Total</b>
\$ 13,354,103	\$ 2,936,229	\$ 57,460,823
46,800,960	3,415,821	99,142,088
33,319,262	3,493,626	88,841,775
19,132,373	3,548,645	79,100,039
12,269,269	2,929,690	76,059,232
16,282,437	2,690,709	85,915,963
25,849,836	5,250,247	108,046,615
13,370,735	3,237,717	86,822,437
25,390,399	2,983,937	106,644,202
28,395,917	2,877,162	121,850,542

**TOWN OF CASTLE ROCK, COLORADO**

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN YEARS  
TABLE 9 (UNAUDITED)**

Fiscal Year Ended December 31,	Collection Year	Taxes Levied For The Fiscal Year <sup>(2)</sup>	Collection <sup>(1)</sup> Within The Fiscal Year Of The Levy	
			Amount	Percentage of Levy
2012	2013	\$ 990,408	\$ 968,092	97.75%
2013	2014	1,026,278	1,005,361	97.96%
2014	2015	1,058,617	1,026,471	96.96%
2015	2016	1,116,841	1,085,962	97.24%
2016	2017	1,165,838	1,132,676	97.16%
2017	2018	1,282,528	1,196,447	93.29%
2018	2019	1,353,067	1,260,995	93.20%
2019	2020	1,405,352	1,332,644	94.83%
2020	2021	1,483,041	1,387,051	93.53%
2021	2022	1,492,318	1,465,448	98.20%

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

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

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<b>Collections/ Abatements for Previous Years</b>	<b>Total Collections To Date</b>	
	<b>Amount</b>	<b>Percentage Of Levy</b>
\$ (10,209)	\$ 957,883	96.72%
(1,289)	1,004,072	97.84%
(1,907)	1,024,564	96.78%
(726)	1,085,236	97.17%
(735)	1,131,941	97.09%
(1,943)	1,194,504	93.14%
(3,065)	1,257,930	92.97%
(2,051)	1,330,593	94.68%
(3,986)	1,383,065	93.26%
(177)	1,465,271	98.19%

**TOWN OF CASTLE ROCK, COLORADO**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN YEARS  
TABLE 10 (UNAUDITED)**

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<b>Levy Year</b>	<b>Residential Property</b>	<b>Vacant Land</b>	<b>Commercial Property</b>	<b>Industrial Property</b>	<b>State Assessed</b>
2013	\$ 363,579,780	\$ 40,563,930	\$ 309,448,920	\$ 12,938,450	\$ 2,307,357
2014	385,083,220	35,092,890	337,469,940	13,435,230	1,969,800
2015	485,560,640	47,388,740	375,941,270	14,240,470	1,800,300
2016	509,222,200	49,095,430	381,534,780	14,863,020	1,882,500
2017	573,096,130	68,923,730	429,115,590	17,470,040	2,001,100
2018	603,391,330	62,684,170	442,210,700	18,469,810	2,316,000
2019	722,174,210	71,047,980	500,811,820	21,247,350	1,735,800
2020	758,756,980	72,967,870	512,407,380	27,822,780	1,768,700
2021	840,330,910	87,300,210	552,411,530	32,853,640	2,884,800
2022	857,215,760	74,621,290	563,019,270	34,236,580	2,643,100

**Source:** Douglas County Assessor's Office

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<b>Personal Property</b>	<b>Less: Tax Exempt Property</b>	<b>Total Taxable Assessed Value</b>	<b>Total Direct Tax Rate</b>	<b>Estimated Actual Taxable Value</b>	<b>Assessed Value As a Percentage of Actual Value</b>
\$ 40,280,646	\$ 166,489,830	\$ 602,629,253	1.703	\$ 5,256,549,586	11.46%
39,792,780	191,225,000	621,618,860	1.703	5,519,719,668	11.26%
41,129,400	208,224,000	757,836,820	1.474	6,900,625,147	10.98%
44,165,470	209,215,200	791,548,200	1.470	7,220,343,810	10.96%
46,598,790	210,541,040	926,664,340	1.330	9,019,519,393	10.27%
51,076,660	212,733,520	967,415,150	1.330	9,461,004,673	10.23%
55,885,140	234,543,980	1,138,358,320	1.196	11,343,649,284	10.04%
54,879,470	240,247,210	1,188,355,970	1.196	11,905,218,264	9.98%
54,965,020	250,302,440	1,320,443,670	1.139	13,219,987,961	9.99%
55,448,220	253,712,930	1,333,471,290	1.139	13,805,790,359	9.66%

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX RATES (MILLS)

DIRECT AND OVERLAPPING GOVERNMENTS <sup>(1)</sup>

LAST TEN YEARS

TABLE 11 (UNAUDITED)

		<u>Direct Rate</u>								
Levy Year	Collection Year	Town <sup>(3)</sup>	Douglas County School District RE-1	Douglas County <sup>(4)</sup>	Cedar Hill Cemetery	Cherry Creek Basin Authority	Douglas County Library District	Bella Mesa	Castle Oaks	Castlewood Ranch
2013	2014	1.703	48.277	24.274	0.187	0.500	4.029	-	50.000	45.000
2014	2015	1.703	48.277	24.274	0.187	0.500	4.032	-	50.000	45.000
2015	2016	1.474	42.439	24.274	0.160	0.449	4.035	-	50.000	40.000
2016	2017	1.474	41.064	23.774	0.162	0.437	4.016	20.000	50.000	40.000
2017	2018	1.330	38.996	24.274	0.148	0.453	4.021	20.000	55.277	40.000
2018	2019	1.330	44.950	24.274	0.148	0.479	4.008	20.000	50.422-55.277	40.000
2019	2020	1.196	43.839	23.774	0.128	0.451	4.023	20.000	49.000-55.664	40.000
2020	2021	1.196	43.504	23.774	0.128	0.478	4.012	75.664	49.000-52.953	40.000
2021	2022	1.139	43.797	23.024	0.124	0.479	4.021	75.664	49.000-52.953	40.000
2022	2021	1.139	42.836	23.024	0.125	0.500	4.008	77.185	49.000-52.000	40.000

- (1) Because no single parcel of property located within the Town's boundaries is located within every entity shown, the table is not indicative of the actual or potential burden upon any single property.
- (2) The metropolitan districts fall within the Town's limits and property taxes are collected to fund debt repayment. The mill levy assessed represents ranges based on the individual district's mill levy.
- (3) The only component in the Direct Rate is the General Operating Expenses.
- (4) Includes law enforcement authority levy.
- (5) Dawson Ridge Metro District was issued refunds and abatements in 2015.

Source: Douglas County Assessor's Office

**Overlapping Rates**

**Metro Districts (2)**

<b>Crowfoot Valley Ranch</b>	<b>Crystal Crossing</b>	<b>Crystal Valley I &amp; II</b>	<b>Dawson Ridge 1-5</b>	<b>Founders Village</b>	<b>Lanterns</b>	<b>Maher Ranch</b>	<b>Meadows 1-7</b>	<b>Plum Creek</b>	<b>Villages At Castle Rock 1-9</b>
76.750	62.230	55.940	45.000	79.146	45.000	57.063	35.000	23.000	0-70.000
76.750	62.230	55.940	45.000	79.146	45.000	53.000	35.000	16.650	0-70.000
76.750	62.230	55.940	45-6328.218 (5)	79.146	45.000	42.750	35.000	0.000	0-70.000
76.750	67.230	55.940	45.000	79.146	45.000	40.500	35.000	0.000	0-70.000
84.850	74.091	60.274-60.284	45.000	87.314	45.000	35.500	35.000	0.000	0-76.332
84.850	74.122	60.284	45.000	87.253	74.600	35.500	35.000	0.000	4.373-87.253
85.442	74.625	5.000-54.854	45.000	87.842	75.121	33.500	35.000	0.000	4.402-87.842
85.442	74.625	3.500-51.500	45.000-51.820	88.083	75.121	33.500	35.000	0.000	4.432-88.083
85.442	74.625	2.000-45.000	45.000	88.683	75.121	32.500	35.000	0.000	4.462-88.683
70.010-75.103	74.625	8.000-42.604	74.044	91.198	75.843	32.500	35.000	0.000	4.556-91.198

**TOWN OF CASTLE ROCK, COLORADO**

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

	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Food & General Merchandise	\$ 9,408,215	\$ 9,817,626	\$ 10,327,221	\$ 10,896,117
Apparel & Accessories	6,327,660	6,662,644	6,974,642	7,376,674
Hotels, Restaurants & Bars	4,012,913	4,279,072	4,646,388	5,335,604
Misc Retail	2,924,378	3,219,572	3,464,970	3,765,358
Utilities	1,983,954	2,106,045	2,080,306	2,036,135
Audit & Collections Revenue	69,524	170,701	777,210	448,084
Communications	1,209,491	1,239,425	1,329,241	1,483,165
Home & Garden	2,406,044	2,600,920	2,826,269	3,178,848
Autos & Auto Items	1,677,871	1,827,115	2,046,740	2,217,388
Furniture & Home Décor	849,162	1,067,807	1,164,759	1,340,636
Leasing & Rentals	450,731	517,530	618,217	810,962
Services	630,009	648,057	715,803	1,036,407
Agriculture & Construction	593,868	665,826	754,798	947,715
Wholesale & Manufacturing	646,284	642,773	571,316	880,508
<b>Total</b>	<b>\$ 33,190,104</b>	<b>\$ 35,465,113</b>	<b>\$ 38,297,880</b>	<b>\$ 41,753,601</b>
Town of Castle Rock Sales Tax Rate	4.0%	4.0%	4.0%	4.0%

Note: Information reflects Town collected sales tax and does not include Douglas County shareback.

**Source:** Town of Castle Rock Sales Tax Department

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<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
\$ 12,944,153	\$ 14,231,685	\$ 13,530,600	\$ 16,126,637	\$ 18,092,088	\$ 19,331,747
8,147,394	8,144,044	7,659,585	5,824,649	8,241,804	8,633,955
5,580,192	6,006,785	6,453,452	6,048,091	7,917,186	8,880,022
4,168,474	5,164,182	6,228,567	8,482,200	10,747,164	13,011,463
2,108,077	2,254,822	2,307,618	2,186,038	2,574,033	3,166,042
356,768	510,401	1,324,025	1,759,921	792,506	1,090,875
1,341,322	1,423,855	1,404,425	1,262,109	1,281,106	1,433,623
3,307,815	3,445,425	3,703,262	4,527,502	5,001,741	5,090,962
2,151,300	2,238,964	2,225,167	2,377,799	2,898,488	3,499,381
1,333,269	1,331,718	1,537,699	1,730,813	2,211,187	2,379,839
937,871	1,073,077	1,238,673	1,231,803	1,242,254	1,317,441
1,012,432	985,284	939,705	963,484	1,180,490	1,347,824
876,884	859,042	1,557,688	1,803,726	1,747,926	1,946,125
902,483	765,363	663,780	576,370	781,645	979,958
<u>\$ 45,168,434</u>	<u>\$ 48,434,646</u>	<u>\$ 50,774,245</u>	<u>\$ 54,901,140</u>	<u>\$ 64,709,618</u>	<u>\$ 72,109,256</u>
4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

**TOWN OF CASTLE ROCK, COLORADO**

**DIRECT AND OVERLAPPING SALES TAX RATES**

**LAST TEN YEARS**

**TABLE 13 (UNAUDITED)**

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<b>Fiscal Year</b>	<b>Town Direct Rate</b>	<b>Douglas County</b>	<b>State of Colorado</b>
2013	4.0%	1.0%	2.9%
2014	4.0%	1.0%	2.9%
2015	4.0%	1.0%	2.9%
2016	4.0%	1.0%	2.9%
2017	4.0%	1.0%	2.9%
2018	4.0%	1.0%	2.9%
2019	4.0%	1.0%	2.9%
2020	4.0%	1.0%	2.9%
2021	4.0%	1.0%	2.9%
2022	4.0%	1.0%	2.9%

**Source:** Colorado Department of Revenue



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**TOWN OF CASTLE ROCK, COLORADO**

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

Remitter	2022			
	Number of Filers	Percentage of Total	Tax Liability	Percentage of Total
Food & General Merchandise	98	2.58%	\$ 19,331,747	26.81%
Misc Retail	1,739	45.75%	13,011,463	18.04%
Apparel & Accessories	163	4.29%	8,633,955	11.97%
Hotels, Restaurants & Bars	280	7.37%	8,880,022	12.31%
Home & Garden	71	1.87%	5,090,962	7.06%
Autos & Auto Items	120	3.16%	3,499,381	4.85%
Utilities	4	0.11%	3,166,042	4.39%
Furniture & Home Décor	156	4.10%	2,379,839	3.30%
Agricultural and Construction	207	5.45%	1,946,125	2.70%
Communications	107	2.82%	1,433,623	1.99%
Wholesale & Manufacturing	Not a top ten category in 2022			
Total top ten categories	<u>2,945</u>	<u>77.48%</u>	<u>\$ 67,373,159</u>	<u>93.43%</u>
All other categories	856	22.52%	4,736,097	6.57%
Total	<u>3,801</u>	<u>100.00%</u>	<u>\$ 72,109,256</u>	<u>100.00%</u>

**Source:** Town of Castle Rock Sales Tax Department

**2013**

<b>Number of Filers</b>	<b>Percentage of Total</b>	<b>Tax Liability</b>	<b>Percentage of Total</b>
134	3.99%	\$ 9,408,215	28.35%
560	16.66%	2,924,378	8.81%
252	7.50%	6,327,660	19.06%
268	7.97%	4,012,913	12.09%
53	1.58%	2,406,044	7.25%
177	5.27%	1,677,871	5.06%
2	0.06%	1,983,954	5.98%
110	3.27%	849,162	2.56%
Not a top ten category in 2013			
196	5.83%	1,209,491	3.64%
180	5.36%	646,284	1.95%
<u>1,932</u>	<u>57.48%</u>	<u>\$ 31,445,972</u>	<u>94.75%</u>
1,429	42.52%	\$ 1,744,132	5.25%
<u>3,361</u>	<u>100.00%</u>	<u>\$ 33,190,104</u>	<u>100.00%</u>



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## Debt Capacity



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**TOWN OF CASTLE ROCK, COLORADO**

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

Year	Governmental Activities				Business-type Activities	
	Revenue Bonded Debt (1)	Certificates of Participation (4)	Capital Leases	Notes Payable	Revenue Bonded Debt (1)	Certificates of Participation (4)
2013	\$ 33,883,784	\$ 9,245,000	\$ 220,087	\$ -	\$ 24,465,179	\$ 67,730,000
2014	32,694,171	8,910,000	938,402	-	22,642,606	66,115,000
2015	31,464,558	8,570,000	625,602	-	21,886,625	64,425,000
2016	30,913,842	8,220,000	312,801	2,500,000	76,922,774	-
2017	30,193,577	7,865,000	-	2,375,000	72,601,088	-
2018	29,368,312	7,505,000	-	2,250,000	68,144,403	-
2019	28,038,047	7,130,000	-	-	63,562,717	-
2020	27,213,771	16,678,982	-	-	58,846,032	-
2021	25,868,270	16,227,093	-	-	53,974,346	-
2022	24,487,770	15,760,204	-	-	78,084,384	-

(1) Presented net of discounts and premiums

(2) Personal income is disclosed on Table 22

(3) US Census Bureau

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

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<b>Capital Leases</b>	<b>Notes Payable</b>	<b>Total Government</b>	<b>Percentage of Personal Income (2)</b>	<b>Population (3)</b>	<b>Per Capita</b>
\$ 130,799	\$ -	\$ 135,674,849	5.31%	54,238	\$ 2,501
96,173	-	131,396,352	4.92%	56,645	2,320
315,040	-	127,286,825	4.55%	59,189	2,151
439,925	-	119,309,342	4.12%	62,188	1,919
297,145	-	113,331,810	4.48%	65,520	1,730
150,452	-	107,418,167	3.85%	69,388	1,549
407,441	4,500,000	103,638,205	3.37%	72,168	1,436
243,389	9,000,000	111,982,174	3.34%	75,857	1,476
110,777	9,500,000	105,680,486	2.96%	80,379	1,315
-	8,600,000	126,932,358	3.14%	82,383	1,541

**TOWN OF CASTLE ROCK, COLORADO**

**RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS  
TABLE 16 (UNAUDITED)**

<b>Year</b>	<b>Population</b>	<b>Gross General Obligation Bonds</b>	<b>Net Bonded Debt</b>	<b>Percent of Assessed Property Tax Value</b>	<b>Per Capita</b>
2013	54,238	-	-	0%	-
2014	56,645	-	-	0%	-
2015	59,189	-	-	0%	-
2016	62,188	-	-	0%	-
2017	65,520	-	-	0%	-
2018	69,338	-	-	0%	-
2019	72,168	-	-	0%	-
2020	75,857	-	-	0%	-
2021	80,379	-	-	0%	-
2022	82,383	-	-	0%	-

**Source:** Town of Castle Rock Finance Department.

**TOWN OF CASTLE ROCK, COLORADO**

**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2022  
TABLE 17 (UNAUDITED)**

	<b>Assessed Valuation</b>	<b>Bonds Outstanding</b>	<b>Applicable Net Debt %</b>	<b>Amount</b>
<b>Governmental Entity</b>				
<b>Overlapping Debt: <sup>(1)</sup></b>				
Douglas County School District Re-1	\$ 8,172,143,380	\$ 380,422,530	16.317%	\$ 62,074,599
Bella Mesa Metro	5,000,540	22,705,000	100.000%	22,705,000
Castle Oaks Metro District #1, 3, 4	66,453,400	48,425,000	100.000%	48,425,000
Castle Pines Commercial Metro #1, 3, 4	21,562,970	111,000	100.000%	111,000
Castleview Metro #1, 2	3,357,180	23,222,000	100.000%	23,222,000
Castlewood Ranch Metro District	42,839,450	15,180,000	100.000%	15,180,000
Crowfoot Valley Ranch Metro #2	10,139,180	60,768,000	100.000%	60,768,000
Crystal Crossing Metro District	11,021,170	7,850,000	100.000%	7,850,000
Crystal Valley Metro District #2	92,100,110	3,600,000	100.000%	3,600,000
Lanterns Metro #1, 2	20,721,510	44,222,000	100.000%	44,222,000
Maher Ranch Metro District #4	34,991,860	14,194,000	100.000%	14,194,000
Meadows Metro District #1, 2, 7	145,340,120	70,000,000	100.000%	70,000,000
Pinery West Metro #2	49,561,740	7,870,000	100.000%	7,870,000
Villages at Castle Rock Metro #4	1,164,970	25,911,000	100.000%	25,911,000
Subtotal, overlapping debt	<u>\$ 8,676,397,580</u>	<u>\$ 724,480,530</u>		<u>\$ 406,132,599</u>
<b>The Town of Castle Rock direct debt <sup>(2)</sup></b>				<u>40,247,974</u>
<b>Total direct and overlapping debt</b>				<u>\$ 446,380,573</u>

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

(2) The Town of Castle Rock does not have any General Obligation Bonded Debt. The total direct debt does not include accrued leave or net pension liability.

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

Town of Castle Rock 1,333,471,290  
Assessed Valuation



**TOWN OF CASTLE ROCK, COLORADO**

**PLEDGED REVENUE COVERAGE**

**LAST TEN YEARS**

**TABLE 19 (UNAUDITED)**

**Transportation Revenue Bonds**

Year	Sales and Use Tax Revenues <sup>(1)</sup>	Annual Debt Service			Coverage Ratio <sup>(2)</sup>	Maximum Annual Debt Service	
		Principal	Interest	Total		Principal and Interest <sup>(3)</sup>	Coverage Ratio <sup>(2)</sup>
2013	\$ 14,436,450	\$ 1,000,000	\$ 1,237,454	\$ 2,237,454	6.45	\$ 2,475,051	5.83
2014	15,178,290	1,050,000	1,424,400	2,474,400	6.13	2,475,051	6.13
2015	16,480,927	1,090,000	1,381,363	2,471,363	6.67	2,475,051	6.66
2016	18,524,010	1,140,000	1,223,366	2,363,366	7.84	2,257,375	8.21
2017	19,750,910	485,000	1,164,850	1,649,850	11.97	2,257,375	8.75
2018	21,515,986	590,000	1,156,538	1,746,538	12.32	2,257,375	9.53
2019	22,306,142	1,095,000	1,137,938	2,232,938	9.99	2,257,375	9.88
2020	23,209,405	1,145,000	992,793	2,137,793	10.86	2,257,375	10.28
2021	28,833,679	1,180,000	701,157	1,881,157	15.33	2,254,203	12.79
2022	30,891,244	1,215,000	608,349	1,823,349	16.94	2,254,203	13.70

(1) Pledged sales and use tax revenue collected at a rate of 1.35%.

(2) Coverage ratio equals net pledged revenue divided by total bond principal and interest.

(3) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Bonds.

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE (CONTINUED)  
 LAST TEN YEARS  
 TABLE 20 (UNAUDITED)

<u>Water and Wastewater Fund Revenue Bonds and Notes</u>									
Year	Gross Resources <sup>(1)</sup>	Expenses <sup>(2)</sup>	Net Pledged Revenue <sup>(3)</sup>	Annual Debt Service			Coverage Ratio <sup>(5)</sup>	Max Annual Debt Service	
				Principal	Interest	Total		Principal and Interest <sup>(4)</sup>	Coverage Ratio <sup>(5)</sup>
2013	\$ 25,121,449	\$ 16,159,510	\$ 8,961,939	\$ 1,360,000	\$ 740,067	\$ 2,100,067	4.27	\$ 2,115,175	4.24
2014	23,720,192	16,183,854	7,536,338	1,415,000	686,587	2,101,587	3.59	2,115,175	3.56
2015	30,545,872	16,060,202	14,485,670	1,490,000	590,274	2,080,274	6.96	2,087,125	6.94
2016	51,193,244	18,073,847	33,119,397	4,460,000	1,417,194	5,877,194	5.64	5,866,200	5.65
2017	58,840,495	21,551,190	37,289,305	3,270,000	2,459,971	5,729,971	6.51	5,866,200	6.36
2018	63,781,051	35,614,879	28,166,172	3,395,000	2,357,383	5,752,383	4.90	5,866,200	4.80
2019	69,724,334	42,809,302	26,915,032	3,510,000	2,269,536	5,779,536	4.66	5,866,200	4.59
2020	72,397,608	27,925,785	44,471,823	3,630,000	2,154,083	5,784,083	7.69	5,866,200	7.58
2021	89,965,260	24,108,561	65,856,699	3,775,000	2,034,506	5,809,506	11.34	5,866,200	11.23
2022	82,438,329	32,061,960	50,376,369	4,820,000	2,851,891	7,671,891	6.57	7,699,550	6.54

(1) Gross resources include all operating revenues, system development fees and investment earnings. Prior to the issuance of the 2016 Bonds, the definition of Gross resources specifically excluded the Water Resource Fee and Renewable Water rates and charges imposed pursuant to the Municipal Code. However those revenues are pledged to the 2016 Bonds. The Bond Ordinance specifically extends the pledge of those revenues to the Prior Bonds.

(2) This figure includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, interest paid on outstanding bonds and gains or losses from sale of capital assets.

(3) Net pledged revenue equals gross resources minus expenses.

(4) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Revenue Bonds and Notes.

(5) Coverage ratio equals net pledged revenue divided by the total principal and interest.

TOWN OF CASTLE ROCK, COLORADO

PLEGGED REVENUE COVERAGE (CONTINUED)  
 LAST TEN YEARS  
 TABLE 21 (UNAUDITED)

<u>Golf Fund Revenue Bonds</u>				<u>Annual Debt Service</u>				<u>Max Annual Debt Service</u>	
Year	Gross Resources <sup>(1)</sup>	Expenses <sup>(2)</sup>	Net Pledged Revenue <sup>(3)</sup>	Principal	Interest	Total	Coverage Ratio <sup>(4)</sup>	Principal and Interest <sup>(5)</sup>	Coverage Ratio <sup>(6)</sup>
2013	\$ 2,759,049	\$ 1,933,739	\$ 825,310	\$ 290,000	\$ 252,793	\$ 542,793	1.52	\$ 546,465	1.51
2014	2,856,262	2,033,178	823,084	305,000	240,351	545,351	1.51	546,465	1.51
2015	2,868,145	2,185,373	682,772	405,000	127,033	532,033	1.28	500,815	1.36
2016	3,063,507	2,340,670	722,837	355,000	142,297	497,297	1.45	500,815	1.44
2017	3,153,148	2,437,308	715,840	365,000	132,120	497,120	1.44	500,815	1.43
2018	3,224,390	2,440,456	783,934	375,000	121,657	496,657	1.58	500,815	1.57
2019	3,287,340	2,587,352	699,988	385,000	110,909	495,909	1.41	500,815	1.40
2020	3,721,212	2,685,504	1,035,708	400,000	99,862	499,862	2.07	500,815	2.07
2021	4,101,543	3,002,719	1,098,824	410,000	89,375	499,375	2.20	500,637	2.19
2022	3,966,866	3,275,255	691,611	420,000	76,648	496,648	1.39	500,637	1.38

(1) Gross resources include all operating revenues, investment earnings and transfers in.

(2) Expenses include all operating expenses less depreciation and amortization.

(3) Net pledged revenue equals gross resources minus expenses.

(4) Coverage ratio equals net pledged revenue divided by total bond principal and interest.

(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Revenue Bonds and Notes.

(6) Coverage ratio equals net pledged revenue divided by the total principal and interest.



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## Demographic and Economic Information



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**TOWN OF CASTLE ROCK, COLORADO**

**DEMOGRAPHIC INFORMATION AND ECONOMIC STATISTICS  
LAST TEN YEARS  
TABLE 22 (UNAUDITED)**

<b>Year</b>	<b>Estimated Population</b>	<b>Personal Income <sup>(2)</sup> (Thousands of Dollars)</b>	<b>Per Capita Income</b>	<b>Median Age</b>
2013	54,238 (1)	\$ 22,858,414	\$ 47,147 (5)	33.8 (5)
2014	56,645 (1)	23,175,877	47,147 (5)	33.8 (5)
2015	59,189 (1)	19,136,533	47,255 (1)	35.0 (1)
2016	62,188 (1)	21,277,108	46,534 (1)	34.8 (1)
2017	65,520 (6)	22,063,919	38,610 (1)	34.6 (1)
2018	69,338 (6)	23,875,828	40,236 (1)	34.8 (1)
2019	72,168 (6)	25,249,718	42,611 (1)	35.2 (1)
2020	75,857 (6)	27,549,902	44,250 (1)	35.8 (1)
2021	80,379 (6)	28,492,015	44,419 (1)	35.2 (1)
2022	82,383 (6)	32,412,414	49,138 (1)	35.7 (1)

**Sources:**

- (1) US Census Bureau
- (2) U. S. Bureau of Economic Analysis. Information is for Douglas County
- (3) Colorado Department of Labor. Information is for Douglas County
- (4) Douglas County School District
- (5) US Census Bureau - 2010 Census
- (6) Town of Castle Rock Development Services Department

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<b>Average Household Size</b>		<b>Unemployment Rate <sup>(3)</sup></b>	<b>Public School Enrollment <sup>(4)</sup></b>
2.85	(1)	4.7%	13,265
2.85	(1)	3.2%	13,808
2.89	(1)	3.1%	13,714
2.76	(1)	2.7%	13,693
2.84	(1)	2.4%	14,174
2.92	(1)	2.4%	14,405
2.88	(1)	2.9%	13,833
2.89	(1)	2.4%	12,745
2.88	(1)	5.8%	12,811
2.83	(1)	4.1%	12,711

**TOWN OF CASTLE ROCK, COLORADO**

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

<b>Company</b>	<b>2022</b>		
	<b>Number of FTEs*</b>	<b>Rank</b>	<b>Percentage of Total Town Employment</b>
Douglas County	1500-2250	1	11%
Douglas County School District	1000-1500	2	8%
Town of Castle Rock	750-1000	3	5%
Castle Rock Adventist Hospital**	501-750	4	4%
Castle Rock Homes / Keller Williams	400-550	5	3%
Wal-Mart	300-400	6	2%
Elite Surface Infrastructure / Rocky Mountain			
Excavating Inc	250-350	7	2%
Kohl's	150-250	8	1%
Sunset Stone	150-250	9	1%
Brookside Inn	150-225	10	1%
Kroger / King Soopers			
Medved Autoplex			
Philip S. Miller Library			
Home Depot			

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

\*\*Figure includes Centura employees and private practice employees.

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

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**2013**

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

TOWN OF CASTLE ROCK, COLORADO

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

Taxpayer	Type of Business	Rank	2022	
			Taxable Assessed Valuation	% of Town Taxable Assessed Valuation
<b><u>Utilities</u></b>				
Public Service Co of Colorado (XCEL)	Telecommunications			
CORE Electric Cooperative FKA Intermountain Rural Electric Assoc	Electric	4	\$ 6,302,166	0.47%
QWEST Corporation / Centurylink Communications	Telecommunications			
Burlington Northern Santa Fe Railway Company	Railroad			
Union Pacific Corp.	Railroad			
Black Hills Colorado Gas Inc	Gas			
Cellco Partnership	Telecommunications			
Comcast of Colorado X LLC	Telecommunications	8	5,733,430	
Verizon Wireless (VAW) LLC	Telecommunications			
TOTAL UTILITIES			<u>\$ 12,035,596</u>	<u>0.90%</u>
<b><u>Non-Utility</u></b>				
Dillon Companies Inc	Commercial	3	\$ 6,546,470	0.49%
GKT Castle Rock PG1, PG2 & PG3 LLC	Commercial	2	7,372,220	0.55%
TKG Castle Rock Colorado LLC	Commercial	5	6,119,270	0.46%
EQR Ledges LLC	Commercial	6	5,834,400	0.44%
Echo Ridge Holdings LLC	Commercial	7	5,780,000	0.43%
Riverwalk Castle Rock LLC	Commercial	9	5,389,850	0.40%
Brock Associates III LLC	Commercial	10	4,709,890	0.35%
Craig Realty Group Castle Rock, LLC	Commercial	1	20,641,320	1.55%
Wal-Mart Real Estate	Commercial			
Castle Rock Development Company	Commercial			
TOTAL NON-UTILITY			<u>\$ 62,393,420</u>	<u>4.68%</u>
Other Taxpayers			\$ 1,259,042,274	94.42%
<b>Assessed Valuation</b>			\$ 1,333,471,290	100.00%

Source: Douglas County Treasurer's Office

2013		
Rank	Taxable Assessed Valuation	% of Town Taxable Assessed Valuation
2	\$ 55,901,900	9.28%
1	63,148,700	10.48%
3	58,866,400	9.77%
5	7,779,300	1.29%
6	7,218,300	1.20%
9	4,358,700	0.72%
7	6,141,100	1.02%
<hr/>		
	<u>\$ 203,414,400</u>	<u>33.75%</u>
4	\$ 18,897,100	3.14%
10	4,258,740	0.71%
8	<u>6,130,900</u>	<u>1.02%</u>
	<u>\$ 29,286,740</u>	<u>4.86%</u>
	\$ 369,928,113	61.39%
	\$ 602,629,253	100.00%



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## Operating Information

TOWN OF CASTLE ROCK, COLORADO

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
<b>Function/Program</b>										
General government	67	70	81	78	97	90	96	96	95	102
Public safety	161	161	163	174	189	205	219	223	215	237
Public works	40	38	40	38	47	54	63	56	65	66
Cultural and recreation	21	21	21	25	28	30	30	29	31	29
Water	47	47	55	59	67	66	75	80	85	90
Water resources	2	3	3	4	6	8	7	7	8	7
Wastewater	5	4	4	3	4	5	8	7	7	6
Stormwater	5	8	8	10	11	11	10	10	9	13
Golf	6	6	8	8	12	10	11	10	11	12
Community center	15	16	16	17	20	26	22	21	25	29
Development services	23	28	32	41	49	54	49	54	53	63
<b>Total</b>	<b>392</b>	<b>402</b>	<b>431</b>	<b>454</b>	<b>530</b>	<b>558</b>	<b>590</b>	<b>593</b>	<b>604</b>	<b>654</b>

Source: Town of Castle Rock Finance Department

**TOWN OF CASTLE ROCK, COLORADO**

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

<b><u>Function/Program</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>	<b><u>2015</u></b>	<b><u>2016</u></b>
<b><u>Governmental activities:</u></b>				
General government				
Number of payroll checks issued	16,012	17,889	18,816	20,231
Number of new employees hired	73	44	65	70
Number of resolutions passed	86	110	112	114
Number of ordinances passed	40	37	60	42
Public safety				
Number of arrests	1,248	1,891	1,271	1,358
Number of police calls	64,116	71,062	73,827	73,290
Number of fire calls	75	56	61	78
Number of medical calls	2,651	2,812	3,199	3,204
Public works				
Number of snow removal hours	5,016	8,102	7,703	4,597
Culture and recreation				
Number of golf rounds	33,811	35,053	35,086	39,926
Recreation center attendance	304,343	311,209	318,989	435,810 (1)
<b><u>Business-type activities:</u></b>				
Water				
Number of customer accounts	17,391	18,132	18,961	19,430
Average daily consumption - million gallons	6.14	6.06	6.49	7.11
Development Services				
Number of new construction permits issued	847	828	928	1,212
Number of remodel permits issued	3,414	2,820	2,907	6,954

(1) Includes attendance for new Miller Activity Complex.

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

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<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
21,201	22,176	23,665	20,876	21,828	23,431
69	72	66	70	64	110
105	105	133	125	117	142
30	43	42	24	33	31
1,657	1,561	1,391	1,042	1,240	1,380
71,690	69,411	69,234	63,753	58,093	53,562
89	100	75	98	87	127
3,529	3,418	3,672	3,370	3,851	4,490
3,364	2,060	7,728	4,706	3,155	4,418
40,002	40,756	38,837	43,350	49,330	49,170
395,595	374,555	316,473	218,136	364,485	520,929
20,662	21,878	21,189	23,989	25,029	26,515
7.27	7.88	7.78	8.85	8.79	9.37
1,031	1,785	1,043	1,234	1,348	1,038
2,706	2,260	3,887	3,889	3,804	3,783

**TOWN OF CASTLE ROCK, COLORADO**

**CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM**

**LAST TEN YEARS**

**TABLE 27 (UNAUDITED)**

<u>Function/Program</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>Governmental activities:</u></b>				
General government				
Number of Town-owned facilities	10	11	11	11
Public safety				
Number of police stations	1	1	1	1
Number of vehicular patrol units	34	34	34	37
Number of fire stations	4	4	4	4
Public works				
Miles of streets	564	604	619	646
Number of traffic signals	31	31	31	36
Number of street lighting fixtures *	521	521	521	630
Culture and recreation				
Acres of developed parks	276	316	533	585
Acres of open space	2,732	2,728	2,778	2,877
Number of pools	3	4	4	4
Golf courses	1	1	1	1
Number of tennis courts	7	7	7	7
Number of ball fields	24	24	24	24
<b><u>Business-type activities:</u></b>				
Water				
Miles of water mains	382	385	390	393
Sanitary sewer and storm:				
Miles of sewer lines	261	263	270	271
Miles of storm sewers	142	142	143	143

\* Number of street lighting fixtures reported in 2019 and 2020 included both lighting fixtures owned by Colorado Department of Transportation (CDOT) and the Town of Castle Rock. Number of street lighting fixtures reported for all other years presented represent fixtures owned only by the Town.

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

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<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
11	13	16	17	17	17
1	1	1	1	1	1
39	40	45	47	51	61
4	5	5	5	5	5
667	689	695	711	730	754
38	42	43	44	44	44
639	668	876	876	685	706
606	611	612	619	792	786
2,931	2,925	3,040	2,934	3,452	3,428
4	4	4	4	4	4
1	1	1	1	1	1
7	12	12	10	10	10
24	20	20	22	22	22
401	420	455	470	485	510
275	288	303	309	313	320
149	157	170	179	185	190

## TOWN OF CASTLE ROCK, COLORADO

### MISCELLANEOUS STATISTICS AS OF DECEMBER 31, 2022 TABLE 28 (UNAUDITED)

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Date of incorporation	1881
Home rule charter adopted	1987
Form of government	Council - Manager
Area - Square miles	34.757
Population (estimate)	82,383
Fire Protection	
Number of stations	5
Number of paid firefighters	81
Number of volunteer firefighters	6
Police Protection	
Number of stations	1
Number of commissioned officers	87
Number of reserve officers	0
Education - Douglas County School District	
Number of students (Castle Rock schools)	12,711
Number of charter schools	3
Number of magnet schools	1
Number of elementary schools	9
Number of middle schools	2
Number of high schools	4
Building permits issued (includes new construction and remodel)	4,821
Building permits value	\$483,574,086
Employees: (excluding Police and Fire)	
Full-time	405
Part-time	682

**Sources:** Town of Castle Rock Finance, Police, Fire, Development Services,  
Douglas County School District and US Census Bureau.



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## **COMPLIANCE SECTION**

**Local Highway Finance Report**

<b>LOCAL HIGHWAY FINANCE REPORT</b>	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/22

This Information From The Records Of: Town of Castle Rock	Prepared By: Cassie Brown 303-660-1347
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**I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE**

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

**II. RECEIPTS FOR ROAD AND STREET PURPOSES**

**III. EXPENDITURES FOR ROAD AND STREET PURPOSES**

ITEM	AMOUNT	ITEM	AMOUNT
<b>A. Receipts from local sources:</b>		<b>A. Local highway expenditures:</b>	
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 24,155,790.00
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	\$ 4,035,186.00
2. General fund appropriations	\$ 212,079.00	b. Snow and ice removal	
3. Other local imposts (from page 2)	\$ 42,487,376.00	c. Other	\$ 25,068,435.00
4. Miscellaneous local receipts (from page 2)	\$ 12,146,978.00	d. Total (a. through c.)	\$ 29,103,621.00
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 505,352.00
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ 212,079.00
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 53,976,842.00
b. Bonds - Refunding Issues		<b>B. Debt service on local obligations:</b>	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	\$ -	a. Interest	\$ 609,349.00
7. Total (1 through 6)	\$ 54,846,433.00	b. Redemption	\$ 1,215,000.00
<b>B. Private Contributions</b>		c. Total (a. + b.)	\$ 1,824,349.00
<b>C. Receipts from State government</b> (from page 2)	\$ 2,623,236.00	2. Notes:	
<b>D. Receipts from Federal Government</b> (from page 2)	\$ 6,707,567.00	a. Interest	
<b>E. Total receipts (A.7 + B + C + D)</b>	\$ 64,177,236.00	b. Redemption	
		c. Total (a. + b.)	\$ -
		3. Total (1.c + 2.c)	\$ 1,824,349.00
		<b>C. Payments to State for highways</b>	
		<b>D. Payments to toll facilities</b>	
		<b>E. Total expenditures (A.6 + B.3 + C + D)</b>	\$ 55,801,191.00

**IV. LOCAL HIGHWAY DEBT STATUS**

*(Show all entries at par)*

	Opening Debt	Amount Issued	Redemptions	Closing Debt
<b>A. Bonds (Total)</b>	\$ 25,035,000.00	\$ -	\$ 1,215,000.00	\$ 23,820,000.00
1. Bonds (Refunding Portion)				\$ -
<b>B. Notes (Total)</b>				\$ -

**V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)**

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ 52,382,069.00	\$ 64,177,236.00	\$ 55,801,191.00	\$ 60,758,114.00	\$ -

**Notes and Comments:**

LOCAL HIGHWAY FINANCE REPORT

STATE:  
 COLORADO  
 YEAR ENDING (mm/yy):  
 12/22

II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT	ITEM	AMOUNT
<b>A.3. Other local imposts:</b>		<b>A.4. Miscellaneous local receipts:</b>	
a. Property Taxes and Assesments		a. Interest on investments	\$ 161,295.00
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	\$ 30,591,131.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	\$ 9,046,970.00	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	\$ 2,849,275.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 42,487,376.00	h. Other	\$ 11,985,683.00
c. Total (a. + b.)	\$ 42,487,376.00	i. Total (a. through h.)	\$ 12,146,978.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

ITEM	AMOUNT	ITEM	AMOUNT
<b>C. Receipts from State Government</b>		<b>D. Receipts from Federal Government</b>	
1. Highway-user taxes (from Item I.C.5.)	\$ 2,504,528.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations		d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 118,708.00	f. Other Federal	\$ 6,707,567.00
f. Total (a. through e.)	\$ 118,708.00	g. Total (a. through f.)	\$ 6,707,567.00
4. Total (1. + 2. + 3.f)	\$ 2,623,236.00	3. Total (1. + 2.g)	\$ 6,707,567.00
<i>(Carry forward to page 1)</i>		<i>(Carry forward to page 1)</i>	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
<b>A.1. Capital outlay:</b>			
a. Right-Of-Way Costs	\$ -	\$ 1,235,574.00	\$ 1,235,574.00
b. Engineering Costs	\$ 600,000.00	\$ 4,902,198.00	\$ 5,502,198.00
c. Construction:			
(1). New Facilities	\$ -	\$ 5,116,732.00	\$ 5,116,732.00
(2). Capacity Improvements	\$ -	\$ -	\$ -
(3). System Preservation	\$ -	\$ 7,919,738.00	\$ 7,919,738.00
(4). System Enhancement And Operation	\$ 333,159.00	\$ 4,048,389.00	\$ 4,381,548.00
(5). Total Construction (1)+(2)+(3)+(4)	\$ 333,159.00	\$ 17,084,859.00	\$ 17,418,018.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ 933,159.00	\$ 23,222,631.00	\$ 24,155,790.00

*(Carry forward to page 1)*

Notes and Comments:



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

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