
**CITY OF CRIPPLE CREEK,
COLORADO**
FINANCIAL STATEMENTS
DECEMBER 31, 2022



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Independent Auditors' Report

Honorable Mayor and
Members of the City Council
City of Cripple Creek, Colorado

Report On Audit Of The Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of City of Cripple Creek, Colorado (the City), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of the City 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.

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis Of Matter

As discussed in Note 1 to the financial statements, the City implemented the provisions of Governmental Accounting Standards Board (GASB) Statement Number 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities Of Management For The Financial Statements

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

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

Auditors' 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 auditors' 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 City's internal control. Accordingly, no such opinion is expressed.

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages I through V, budgetary comparison information on pages 44 - 45 and 48, the schedule of the City's proportionate share of the net pension liability (asset) and the schedule of the City's contributions to the pension plan and related ratios on pages 46 and 47 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 GASB, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required 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 City's basic financial statements. The comparative fund financial statements, the budgetary comparison schedule for the Water and Sewer Fund 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 auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Matters

Report On Comparative Information

We have previously audited the City's 2021 financial statements, and we expressed unmodified audit opinions on those audited financial statements in our report dated May 26, 2022. In our opinion, the comparative information presented herein as of and for the year ended December 31, 2021 is consistent, in all material respects, with the audited financial statements from which it has been derived.

Other Reporting Required By Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 26, 2023 on our consideration of the City'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 the City'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 City's internal control over financial reporting and compliance.

RubinBrown LLP

July 26, 2023

CITY OF CRIPPLE CREEK, COLORADO

MANAGEMENT'S DISCUSSION AND ANALYSIS for Year Ended December 31, 2022

Our discussion and analysis of the City of Cripple Creek's financial performance provides an overview of the city's financial activities for the fiscal year ended December 31, 2022. We encourage readers to consider the information presented here in conjunction with the additional information furnished in our basic financial statements to better understand the financial position of the City of Cripple Creek.

A. FINANCIAL HIGHLIGHTS

- The city's assets and deferred outflows exceed liabilities and deferred inflows by \$42,004,771 (i.e., net position) at the end of the year, an increase of \$2,977,845, or 7.6%, from the prior year.
- Governmental activities reported unrestricted net position of \$7,864,891 an increase of \$2,363,421, an increase of 43%, in comparison to prior year.
- The city's unassigned fund balance for the General Fund, was \$7,528,719 an increase of \$2,225,870, an increase of 42%, in comparison to prior year.
- The city's total long-term liabilities were \$1,089,590, an increase of \$82,269, or 8.2%, at the end of year. This debt is primarily associated with the water and wastewater system.

B. 2022 HIGHLIGHTS

- Affordable Housing: In 2021, the city began offering incentives to attract builders to the community. Significant interest was shown in 2021, leading to new homes being built in 2022.
- The gaming industry declined in 2022, after significant gains in 2021. Coin-In/Table Drop were down 3% and Adjusted Gross Proceeds (AGP) were down two tenths of one percent.

C. OVERVIEW OF THE FINANCIAL STATEMENTS

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

Government-wide financial statements. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private sector business. The statement of net position presents information on all assets, liabilities and deferred inflows, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether financial position is improving or deteriorating. The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include general government, public safety, streets and highways, culture and recreation and historic preservation. The business type activities include sewer and water.

Fund financial statements. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate

compliance with finance-related legal requirements. The city's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds. Most of the city's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year end that is available for spending. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the city's General Fund and Historic Preservation Fund operations and the basic services they provide. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the city's programs. The relationship or differences between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds are described in a reconciliation statement.

Proprietary Funds. Proprietary funds are maintained as follows: the Enterprise Fund is used to report the same functions presented as business-type activities in the government-wide financial statements, only in more detail. The city reports its water and sewer operations as an Enterprise Fund.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

D. GOVERNMENT-WIDE FINANCIAL ANALYSIS

On December 31, 2022, total net position was \$42,004,771, an increase of \$2,977,845 from the prior year. The increase was largely due to increases in investments as the city rebuilt its fund balances after being reduced significantly in 2020 by COVID revenue losses. A large portion of the net position is the investment in capital assets (net of related debt) which accounts for 74% of total net position. This amount reflects the investment in all capital assets less any related outstanding debt used to acquire those assets. These capital assets are used to provide services to citizens and are not available for future spending. Unrestricted net position, the part of net position that can be used to finance day to day operations without constraints, represents 21% of total net position. The restricted net position includes historic preservation (89.3%), labor emergency set aside (7.5%) and debt service (3.2%).

The following table summarizes the Town's net position:

City of Cripple Creek's Summary of Net Position

	Governmental	Governmental	Business	Business	Total	Total
	Activities	Activities	Activities	Activities		
	2022	2021	2022	2021	2022	2021
Assets:						
Current assets	\$11,482,734	\$8,877,160	\$967,026	\$967,026	\$12,449,760	\$9,844,186
Long-term assets	470,307	-	97,376	97,376	567,683	97,376
Capital assets	16,134,175	14,617,220	16,086,797	16,086,797	32,220,972	30,704,017
Total Assets	28,087,216	23,494,380	17,151,199	17,151,199	45,238,415	40,645,579
Deferred Outflows of Resources						
Deferred loss on refunding			8,696	9,499	8,696	9,499
Deferred pension outflow (Note 7)	356,336	394,711		-	356,336	394,711
Total Deferred Outflows of Resources	356,336	394,711	8,696	9,499	365,032	394,711
Liabilities:						
Current liabilities	781,558	527,830	157,095	131,566	938,653	659,396
Long-term liabilities	302,661	148,560	786,929	858,761	1,089,590	1,007,321
Total Liabilities	1,084,219	676,390	944,024	990,327	2,028,243	1,666,717
Deferred Inflows of Revenues:						
Property tax revenue	149,598	141,733			149,598	141,733
Leases	27,253					
Deferred pension inflow (Note 7)	328,806	214,413			328,806	214,413
Total Deferred Inflows of Resources	505,657	356,146	-	-	478,404	356,146
Net Position:						
Net investment in capital assets	15,977,322	14,617,220	14,185,276	15,192,330	30,162,598	29,809,550
Restricted	3,011,463	2,737,865	99,080	97,376	3,110,543	2,835,241
Unrestricted	7,864,891	5,501,470	866,739	880,665	8,731,630	6,382,135
Total Net Position	\$26,853,676	\$22,856,555	\$15,151,095	\$16,170,371	\$42,004,771	\$39,026,926

The following table summarizes the Town's changes in net position:

City of Cripple Creek's Change in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues:						
<i>Program Revenues:</i>						
Charges for Service	\$ 1,059,630	\$ 1,506,802	\$ 1,273,532	\$ 1,159,612	\$ 2,333,162	\$ 2,666,414
Grants, contributions, etc.	974,026	966,793	-	-	974,026	966,793
Total Program Revenues	2,033,656	2,473,595	1,273,532	1,159,612	3,307,188	3,633,207
<i>General Revenues:</i>						
Property Taxes	126,627	135,511	-	-	126,627	135,511
Sales & Lodging Taxes	1,599,152	1,212,748	-	-	1,599,152	1,212,748
Gaming Taxes	3,370,527	2,687,135	-	-	3,370,527	2,687,135
Other Taxes	26,088	23,707	-	-	26,088	23,707
Device Fees	3,570,140	2,977,508	-	164,142	3,570,140	3,141,650
Investment Earnings	146,788	2,491	13,745	312	160,533	2,803
Miscellaneous	290,870	211,154	68,878	58,367	359,748	289,521
Transfers	9,500	9,500	(9,500)	(9,500)	-	-
Total General Revenues	9,139,692	7,259,754	73,123	213,321	9,212,815	7,473,075
Total Revenues	11,173,348	9,733,349	1,346,655	1,372,933	12,520,003	11,106,282
Expenses:						
General Government	3,965,413	3,564,162	-	-	3,965,413	3,564,162
Public Safety	3,289,717	3,016,505	-	-	3,289,717	3,016,505
Streets	922,375	832,645	-	-	922,375	832,645
Culture and Recreation	983,409	920,108	-	-	983,409	920,108
Interest	-	-	-	-	-	-
Water and Sewer	-	-	2,365,931	2,291,562	2,365,931	2,291,562
Total Expenses	9,160,914	8,333,420	2,365,931	2,291,562	11,526,845	10,624,982
Change in Net Position	3,997,121	2,246,536	(1,019,276)	(918,629)	2,977,845	1,327,907
Beginning Net Position	22,856,555	20,610,019	16,170,371	17,089,000	39,026,926	37,699,019
Ending Net Position	\$26,853,676	\$22,856,555	\$15,151,095	\$16,170,371	\$42,004,771	\$39,026,926

E. FINANCIAL ANALYSIS OF GOVERNMENT FUNDS

Governmental funds. The focus of governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of December 31, 2022, the city's governmental funds reported combined ending fund balance of \$10,540,182, an increase of \$2,449,468, or 31%, over the prior year. Of the combined ending fund balance for all governmental funds, 71% of this amount, or \$7,528,719, constitutes unassigned fund balance, which is available for appropriation at the city's discretion. The city has two major governmental funds. They are General and Historic Preservation Funds.

The General Fund is the primary operating fund for the City of Cripple Creek. At the end of 2022, the unassigned fund balance for the General Fund was \$7,528,719. This unassigned fund balance is approximately 79.5% of the total 2022 expenditures of the General Fund.

The Historic Preservation Fund accounts for all revenue and expenses related to the city's historic preservation efforts, both physical and cultural. At the end of 2022, the Historic Preservation (restricted) Fund balance available for expenditure was \$2,777,646, an increase of \$229,922, or 9%. These funds are labeled as restricted because they can only be used for historic preservation purposes.

Proprietary funds. The city has one Enterprise Fund which accounts for sewer and water operations. Year-end unrestricted net position of the sewer and water fund amounted to \$866,739 in 2022, a decrease of \$13,926, or 1.6%. The decrease was primarily related to increased expenses in 2022. Year-end total net position amounted to \$15,151,095 in 2022, a decrease of \$1,019,276, or 6.3%, was primarily due to depreciation expense.

F. BUDGETARY HIGHLIGHTS

During the year, the city received \$158,900 from the Federal Government in American Recovery Plan Act dollars. The planned use for these funds is to help cover expenses incurred in the 2022 TAP Grant, curb, gutter, and sidewalk in the Galena Street area and potentially towards affordable housing in 2023 and 2024. The city received \$1,662,272 in grant funding from the Colorado Department of Transportation (CDOT) towards costs incurred on the TAP grant. 2022 was the first year that revenues and expenses began to increase as the COVID-19 Pandemic lessened.

G. CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The City of Cripple Creek showed an increase of \$1,516,955, or 4.9%, in capital assets for its governmental and business type activities in 2022, this was due to the TAP grant.

Long-term Debt. At the end of 2022, the total outstanding long-term debt (principal and interest) of the city was \$986,272, a decrease of \$92,358, or 8.6% from 2021. The debt is attributable to business-type activities (water/sewer).

H. ECONOMIC CONDITIONS AFFECTING THE CITY

- The City of Cripple Creek continues to maintain strong reserve balances in order to be able to weather general economic downturns and more specifically economic changes in the gaming industry.
- The reduction of the number of gaming devices in the city and its impact on the device revenue is of significant concern to the city. The number of devices has still not recovered and is down 810 machines, or 23%, from the pre pandemic first quarter of 2020 to the fourth quarter of 2022. Device fees are the city's single largest source of revenue.
- Gaming tax distributions to the General Fund increased by \$654,946, or 3.7%, and Historic Preservation Fund's tax distribution increased \$28,446, or 3.2%, compared to 2021. Gaming Taxes are the city's second largest source of revenue.
- Work on the Full House Casinos hotel project helped increase sales tax significantly in 2022, which rose by \$356,726, or 38%, compared to 2021. Lodging taxes increased \$29,678, or 10.4%, over 2021, as tourism and gaming visits rebounded.

I. REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the city's finances, comply with finance-related laws and regulations, and demonstrate the City's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the City's finance director at (719) 689-2502.

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF NET POSITION

December 31, 2022

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
Assets			
Current Assets			
Cash and cash equivalents	\$ 316,006	\$ 222,809	\$ 538,815
Investments	9,664,561	700,260	10,364,821
Receivables:			
Accounts	1,325,316	50,753	1,376,069
Property taxes	149,598	—	149,598
Leases	27,253	—	27,253
Capital Assets			
Nondepreciable capital assets	10,208,063	2,631,269	12,839,332
Depreciable capital assets, net	5,926,112	12,382,252	18,308,364
Other Long-Term Assets			
Restricted investments	—	99,080	99,080
Net pension asset	470,307	—	470,307
Total Assets	28,087,216	16,086,423	44,173,639
Deferred Outflows Of Resources			
Deferred loss on refunding	—	8,696	8,696
Deferred pension outflows	356,336	—	356,336
Total Deferred Outflows Of Resources	356,336	8,696	365,032
Liabilities			
Current Liabilities			
Accounts payable	157,747	54,357	212,104
Accrued expenses	123,029	15,592	138,621
Accrued interest	—	4,327	4,327
Retainage payable	95,492	—	95,492
Unearned revenues	316,217	14,072	330,289
Compensated absences payable, current	46,976	3,747	50,723
Vehicle note payable	42,097	—	42,097
Bonds payable, current	—	65,000	65,000
Long-Term Liabilities			
Vehicle note payable	114,756	—	114,756
Compensated absences payable	187,905	14,988	202,893
Bonds payable	—	750,000	750,000
Bond premium	—	21,941	21,941
Total Liabilities	1,084,219	944,024	2,028,243
Deferred Inflows Of Resources			
Property tax revenue	149,598	—	149,598
Leases	27,253	—	27,253
Deferred pension inflows	328,806	—	328,806
Total Deferred Inflows Of Resources	505,657	—	505,657
Net Position			
Net investment in capital assets	15,977,322	14,185,276	30,162,598
Restricted for:			
Emergencies	233,817	—	233,817
Historic preservation	2,777,646	—	2,777,646
Debt service	—	99,080	99,080
Unrestricted	7,864,891	866,739	8,731,630
Total Net Position	\$ 26,853,676	\$ 15,151,095	\$ 42,004,771

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF ACTIVITIES For The Year Ended December 31, 2022

Function/Program	Program Revenues				Net Revenue (Expenses) And Changes In Net Position			
	Expenses	Charges For Services And Sales	Operating Grants And Contributions	Capital Grants And Contributions	Governmental Activities	Primary Government Business-Type Activities		Total
						Governmental Activities	Business-Type Activities	
Primary Government								
Governmental Activities								
General government	\$ 3,965,413	\$ 729,255	\$ 174,171	\$ 195,325	\$ (2,866,662)	\$ —	\$ —	\$ (2,866,662)
Public safety	3,289,717	13,831	272,570	38,400	(2,964,916)	—	—	(2,964,916)
Streets	922,375	—	491,150	1,750,962	1,319,737	—	—	1,319,737
Culture and recreation	983,409	316,544	36,135	—	(630,730)	—	—	(630,730)
Total Governmental Activities	9,160,914	1,059,630	974,026	1,984,687	(5,142,571)	—	—	(5,142,571)
Business-Type Activities								
Water and sewer	2,365,931	1,273,532	—	—	—	(1,092,399)	(1,092,399)	(1,092,399)
Total - Primary Government	\$ 11,526,845	\$ 2,333,162	\$ 974,026	\$ 1,984,687	(5,142,571)	(1,092,399)	(1,092,399)	(6,234,970)
General revenues:								
Property taxes					126,627	—	—	126,627
Sales and lodging taxes					1,599,152	—	—	1,599,152
Gaming taxes					3,370,527	—	—	3,370,527
Other taxes					26,088	—	—	26,088
Device fees					3,570,140	—	—	3,570,140
Investment earnings					146,788	13,745	—	160,533
Miscellaneous					290,870	68,878	—	359,748
Transfers					9,500	(9,500)	—	—
Total General Revenues					9,139,692	73,123	—	9,212,815
Changes In Net Position					3,997,121	(1,019,276)	—	2,977,845
Net Position, Beginning Of Year					22,856,555	16,170,371	39,026,926	39,026,926
Net Position, End Of Year					\$ 26,853,676	\$ 15,151,095	\$ 42,004,771	\$ 42,004,771

See the notes to financial statements.

CITY OF CRIPPLE CREEK, COLORADO

BALANCE SHEET - GOVERNMENTAL FUNDS

December 31, 2022

	Assets		
	General	Historic Preservation	Total Governmental Funds
Cash and cash equivalents	\$ 183,906	\$ 132,100	\$ 316,006
Investments	6,992,864	2,671,697	9,664,561
Receivables:			
Accounts	1,319,230	6,086	1,325,316
Property taxes	149,598	—	149,598
Leases	27,253	—	27,253
Total Assets	\$ 8,672,851	\$ 2,809,883	\$ 11,482,734
Liabilities, Deferred Inflows Of Resources And Fund Balance			
Liabilities			
Accounts payable	\$ 134,288	\$ 23,459	\$ 157,747
Accrued expenditures	114,251	8,778	123,029
Retainage payable	95,492	—	95,492
Unearned grant revenue	316,217	—	316,217
Total Liabilities	660,248	32,237	692,485
Deferred Inflows Of Resources			
Property tax revenue	149,598	—	149,598
Unavailable revenue	73,216	—	73,216
Leases	27,253	—	27,253
Total Deferred Inflows Of Resources	250,067	—	250,067
Fund Balance			
Restricted	233,817	2,777,646	3,011,463
Unassigned	7,528,719	—	7,528,719
Total Fund Balance	7,762,536	2,777,646	10,540,182
Total Liabilities, Deferred Inflows Of Resources And Fund Balance	\$ 8,672,851	\$ 2,809,883	\$ 11,482,734

CITY OF CRIPPLE CREEK, COLORADO

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

Total Governmental Fund Balances \$ 10,540,182

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.

Nondepreciable capital assets		10,208,063
Depreciable capital assets	\$ 44,370,596	
Less: Accumulated depreciation	<u>(38,444,484)</u>	5,926,112

Some revenues in the statement of activities do not provide current financial resources and, therefore, are deferred inflows in the governmental funds 73,216

Pension plan accounts, such as deferred inflows/outflows and net pension liability, are not receivable or payable in the current period and, therefore, are not reported in the funds.

Net pension asset		470,307
Deferred outflows of resources		356,336
Deferred inflows of resources		<u>(328,806)</u>

Vehicle notes payable are not due and payable in the current period and, therefore, are not reported in the funds. (156,853)

Compensated absences are not reported in the funds statements until due, but are reported in the statement of net position when the liability is incurred. (234,881)

Net Position Of Governmental Activities \$ 26,853,676

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS For The Year Ended December 31, 2022

	General	Historic Preservation	Total Governmental Funds
Revenues			
Property taxes	\$ 126,627	\$ —	\$ 126,627
Sales taxes	1,285,129	—	1,285,129
Lodging taxes	314,023	—	314,023
Gaming taxes	2,446,140	924,387	3,370,527
Other taxes	26,088	—	26,088
Device fees	3,570,140	—	3,570,140
Intergovernmental	2,825,747	—	2,825,747
Licenses and permits	378,207	—	378,207
Charges for service	284,181	—	284,181
Fines and forfeitures	13,543	—	13,543
Investment earnings	107,563	39,225	146,788
Rental income	66,867	—	66,867
Operating grants, contributions and interest	—	21,350	21,350
Ticket and retail sales	288	316,544	316,832
Miscellaneous	228,614	62,256	290,870
Total Revenues	11,673,157	1,363,762	13,036,919
Expenditures			
Current:			
General government	3,227,640	570,675	3,798,315
Public safety	3,132,948	—	3,132,948
Streets	404,406	—	404,406
Culture and recreation	440,676	483,975	924,651
Capital outlay	2,414,294	29,190	2,443,484
Debt service:			
Principal retirements	42,097	—	42,097
Total Expenditures	9,662,061	1,083,840	10,745,901
Other Financing Sources (Uses)			
Transfers in (out)	59,500	(50,000)	9,500
Proceeds from vehicle note	198,950	—	198,950
Other Financing Sources (Uses)	258,450	(50,000)	208,450
Net Change In Fund Balances	2,269,546	229,922	2,499,468
Fund Balances, Beginning Of Year	5,492,990	2,547,724	8,040,714
Fund Balances, End Of Year	\$ 7,762,536	\$ 2,777,646	\$ 10,540,182

CITY OF CRIPPLE CREEK, 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

Net Change In Fund Balances - Total Governmental Funds \$ 2,499,468

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

Governmental funds report capital outlays as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense:

Depreciation expense	\$ (903,962)	
Capital outlay	<u>2,382,517</u>	1,478,555

Donations of capital assets increase net position in the statement of activities, but do not appear in the governmental funds because they are not current financial resources. 38,400

Pension amounts do not use current financial resources and, therefore, are not reported in the governmental funds. 113,516

Some revenues in the statement of activities do not provide current financial resources and, therefore, are deferred inflows in the governmental funds 73,216

Repayment of vehicle note principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the government-wide statement of net position. 42,097

The proceeds from the issuance of vehicle notes are reported as other financing sources in the governmental funds, but are reported as a long-term liability on the statement of net position. (198,950)

Compensated absences reported in the government-wide statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Liability at December 31, 2022	(234,881)	
Liability at December 31, 2021	<u>185,700</u>	
Changes in compensated absences		<u>(49,181)</u>

Change In Net Position Of Governmental Activities \$ 3,997,121

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF NET POSITION - WATER AND SEWER FUND

December 31, 2022

(With Comparative Financial Information

As Of December 31, 2021)

Assets

	2022	2021
Current Assets		
Cash and cash equivalents	\$ 222,809	\$ 244,949
Investments	700,260	688,218
Accounts receivable	50,753	33,848
Due from other funds	—	11
Total Current Assets	973,822	967,026
Noncurrent Assets		
Restricted assets:		
Investments	99,080	97,376
Capital assets:		
Nondepreciable capital assets	2,631,269	2,631,269
Depreciable capital assets, net	12,382,252	13,455,528
Total Noncurrent Assets	15,112,601	16,184,173
Total Assets	16,086,423	17,151,199
Deferred Outflows Of Resources		
Deferred loss on refunding	8,696	9,499

Liabilities And Net Position

Current Liabilities		
Accounts payable	54,357	29,201
Accrued wages	15,592	11,054
Accrued interest	4,327	4,779
Unearned revenues	14,072	16,583
Compensated absences payable	3,747	4,949
Bonds payable, current portion	65,000	65,000
Total Current Liabilities	157,095	131,566
Long-Term Liabilities		
Compensated absences payable	14,988	19,795
Bonds payable	750,000	815,000
Bond premium	21,941	23,966
Total Long-Term Liabilities	786,929	858,761
Total Liabilities	944,024	990,327
Net Position		
Net investment in capital assets	14,185,276	15,192,330
Restricted - debt service	99,080	97,376
Unrestricted	866,739	880,665
Total Net Position	\$ 15,151,095	\$ 16,170,371

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - WATER AND SEWER FUND

For The Year Ended December 31, 2022
(With Comparative Financial Information
For The Year Ended December 31, 2021)

	2022	2021
Operating Revenues		
Water fees	\$ 937,223	\$ 806,513
Sewer fees	334,309	210,649
Tap fees	2,000	142,450
Miscellaneous	68,878	53,906
Total Operating Revenues	1,342,410	1,213,518
Operating Expenses		
Professional services	198,953	121,356
Supplies	33,314	35,849
Personnel services	474,495	599,278
Maintenance and repairs	225,792	126,093
Utilities and telephone	212,895	181,771
Depreciation	1,139,588	1,137,929
Other	55,210	61,997
Total Operating Expenses	2,340,247	2,264,273
Operating Loss	(997,837)	(1,050,755)
Nonoperating Revenues (Expenses)		
Interest and fiscal charges	(25,684)	(27,289)
Interest earnings	13,745	312
Gain on sale of assets	—	4,461
Device fees (security for debt)	—	164,142
Total Nonoperating Revenues (Expenses)	(11,939)	141,626
Income Before Transfers	(1,009,776)	(909,129)
Transfers		
Transfers out	(9,500)	(9,500)
Change In Net Position	(1,019,276)	(918,629)
Net Position, Beginning Of Year	16,170,371	17,089,000
Net Position, End Of Year	\$ 15,151,095	\$ 16,170,371

CITY OF CRIPPLE CREEK, COLORADO

STATEMENT OF CASH FLOWS - WATER AND SEWER FUND

For The Year Ended December 31, 2022

(With Comparative Financial Information

For The Year Ended December 31, 2021)

	2022	2021
Cash Flows From Operating Activities		
Cash received from customers	\$ 1,323,005	\$ 1,229,558
Cash payments to employees for personnel services	(475,966)	(601,156)
Cash payments for goods and services	(701,008)	(516,841)
Net Cash Provided By Operating Activities	146,031	111,561
Cash Flows From Noncapital Financing Activities		
Device fees	—	164,142
Transfer to general fund	(9,500)	(9,500)
Net Cash Provided By (Used In) Noncapital Financing Activities	(9,500)	154,642
Cash Flows From Capital And Related Financing Activities		
Principal paid on revenue bonds	(65,000)	(65,000)
Proceeds from sales of capital assets	—	4,461
Interest paid on capital financing	(27,358)	(28,757)
Payments for capital asset acquisitions	(66,312)	—
Net Cash Used In Capital And Related Financing Activities	(158,670)	(89,296)
Cash Flows From Investing Activities		
Investment earnings	13,745	312
Purchases of investments	(13,746)	(175,311)
Net Cash Used In Investing Activities	(1)	(174,999)
Net Increase (Decrease) In Cash And Cash Equivalents	(22,140)	1,908
Cash And Equivalents, Beginning Of Year	244,949	243,041
Cash And Equivalents, End Of Year	\$ 222,809	\$ 244,949
Reconciliation Of Operating Loss To Net Cash Used In Operating Activities		
Operating loss	\$ (997,837)	\$ (1,050,755)
Adjustments		
Depreciation	1,139,588	1,137,929
(Increase) decrease in assets:		
Accounts receivable	(16,905)	13,361
Due from other funds	11	(11)
Increase (decrease) in liabilities:		
Accounts payable	25,156	10,225
Accrued wages	4,538	3,029
Unearned revenue	(2,511)	2,690
Compensated absences payable	(6,009)	(4,907)
Net Cash Provided By Operating Activities	\$ 146,031	\$ 111,561

CITY OF CRIPPLE CREEK, COLORADO

NOTES TO BASIC FINANCIAL STATEMENTS

December 31, 2022

1. Summary Of Significant Accounting Policies

The financial statements of City of Cripple Creek, Colorado (the City), have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to state and local governments. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for governmental accounting and financial reporting.

The most significant of the City's accounting policies are described below.

Reporting Entity

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure the financial statements are not misleading. The primary government of the City consists of all funds, departments, boards and agencies that are not legally separate from the City.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization or (2) the City is legally entitled to or can otherwise access the organization's resources or (3) the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization or the City is obligated for the debt of the organization. Component units also may include organizations that are fiscally dependent on the City in that the City approves the budget, levies their taxes or issues their debt. Based upon these criteria, the City is the total reporting entity, and no component units are included.

Basis Of Presentation

The City's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Government-Wide Financial Statements - The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the City as a whole. Individual funds are not displayed, but the statements distinguish governmental activities, generally supported by taxes and grants and the City's general revenues, from business-type activities, generally financed in whole or in part with user fees charged to external customers. The effect of interfund activity has been eliminated from the government-wide financial statements.

The statement of net position presents the financial position of the governmental and business-type activities of the City at year end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the City's governmental activities and for each identifiable activity of the business-type activities of the City. Direct expenses are those that are specifically associated with a function and, therefore, clearly identifiable to that particular function. The City does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the City's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income and (3) capital grants and contributions which fund the acquisition, construction or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and each identifiable business activity is self-financing or draws from the general revenues of the City. Other revenue sources not properly included with program revenues are reported as general revenues of the City.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Fund Financial Statements - During the year, the City segregates transactions related to certain City functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the City at this more detailed level. Fund financial statements are provided for governmental, proprietary and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported in separate columns.

Fund Accounting - The City uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The City uses two categories of funds: governmental and proprietary.

Governmental Funds - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may, or must, be used. Fund liabilities are assigned to the fund from which they will be liquidated. The City reports the difference between governmental fund assets and deferred outflows, and liabilities and deferred inflows, as fund balance. The following are the City's major governmental funds:

The General Fund - The General Fund accounts for all financial resources except those required to be accounted for in another fund. The General Fund's balance is available to the City for any purpose, provided it is expended or transferred according to the general laws of Colorado.

Historic Preservation Fund - This fund is used to account for resources received from gaming taxes and various charges for services, which are to be used to rebuild and promote the City and the community through the preservation and protection of the City's historic environment and its National Historic Landmark District status.

Proprietary Fund - Proprietary fund reporting focuses on the determination of operating income, changes in net position, financial position and cash flows. The proprietary fund is classified as a major enterprise fund, consisting of the following:

Water and Sewer Fund - This fund is used to account for resources received from water and sewer fees to provide water and sewer services to City residents.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Measurement Focus

Government-wide Financial Statements - The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balance reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements, therefore, include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

Like the government-wide statements, the enterprise fund is accounted for on a flow of economic resources measurement focus on both financial reporting levels. All assets and all liabilities associated with the operation of these funds are included on the statements of net position. The statements of changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in total net position. The statement of cash flows provides information about how the City finances and meets the cash flow needs of its proprietary activities.

Basis Of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting. At the fund reporting level, the governmental funds use the modified accrual basis of accounting. The enterprise fund uses the accrual basis of accounting at both reporting levels. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue and in the presentation of expenses versus expenditures.

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

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Revenues - Exchange Transactions - Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, the phrase “available for exchange transactions” means expected to be received within 60 days of year end.

Revenues - Nonexchange Transactions - Nonexchange transactions, in which the City receives value without directly giving equal value in return, include sales taxes, property taxes, gaming taxes, device fees, grants and donations. On an accrual basis, revenue from sales taxes is recognized in the period in which the taxable sale takes place. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Property taxes are assessed in one year for the subsequent year’s budget. Therefore, at December 31, in the government-wide financial statements, the City reports property taxes receivable and an equal amount of deferred inflows of resources. On a modified accrual basis, revenue from nonexchange transactions also must be available (i.e., collected within 60 days) before it can be recognized on the governmental funds balance sheet. If not collected within 60 days of year end, the property tax receivable is recorded as a deferred inflow of resources.

Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used, or the year when use is first permitted; matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: property taxes, sales taxes, device fees, gaming taxes, interest and federal and state grants.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

On governmental fund financial statements (i.e., on the modified accrual basis), receivables that will not be collected within the available period have been reported as deferred inflows of resources (i.e., they are measurable but not available) rather than as revenue.

Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue or as deferred inflows of resources.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Cash, Cash Equivalents And Investments

For the purpose of presentation on the statement of cash flows, cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the City. Investments are stated at fair value based on quoted market prices.

Receivables

All trade, notes and property tax receivables are reported net of an allowance for uncollectables, where applicable.

Property Taxes

Property taxes are levied on December 15 of each year and attach as an enforceable lien on the property as of January 1 of the following year. Taxes are payable in full on April 30, or in two installments on February 28 and June 15. Liens are attached to the assessed property if taxes become delinquent.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Capital Assets

Governmental capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in governmental funds. The City reports these assets in the governmental activities column of the government-wide statement of net position, but does not report these assets in the City fund financial statements. Capital assets used by the enterprise fund are reported both in the business-type activities column of the government-wide statement of net position and in the enterprise fund statement of net position.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The City maintains a capitalization threshold of \$5,000.

The City's infrastructure includes roads, bridges, storm sewers, sidewalks, curbs and gutters, intersections, street lights, parks, street signs and water and sewer lines. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, water rights and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities' Estimated Lives	Business-Type Activities' Estimated Lives
Buildings	25 years	25 - 40 years
Machinery and equipment	5 years	4 - 10 years
Vehicles	5 - 20 years	4 - 10 years
Reservoir, plant and systems	—	15 - 60 years
Infrastructure	3 - 35 years	—

Deferred Outflows/Inflows Of Resources

In addition to assets, the statement of net position and the governmental fund balance sheet 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 period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until that time. The City has recognized deferred outflows of resources in the government-wide financial statements in accordance with presentation requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27*, as well as deferred loss amounts related to debt refunding transactions.

In addition to liabilities, the statement of net position and governmental fund balance sheet 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 period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Property tax revenue that is related to a future period is recorded as deferred inflows. These amounts are deferred and will be recognized as an inflow of resources in the government-wide financial statements in the period that the amounts were levied for. The City has also recognized deferred inflows of resources in the government-wide financial statements in accordance with presentation requirements of GASB 68.

Compensated Absences

Vacation benefits are accrued as a liability, as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable the employer will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits do not vest and therefore are not accrued. All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements for both governmental activities and the business-type activities. The enterprise fund also reports the total compensated absence liability at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Leases

As of January 1, 2022, the beginning of the period of adoption, the City has implemented the provisions of GASB 87, *Leases*. For arrangements where the City is a lessee, a lease liability and a right-to-use (RTU) intangible asset are recognized at the commencement of the lease term. RTU assets represent the City's right to use an underlying asset for the lease term and lease liabilities represent the City's obligation to make lease payments arising from the lease. RTU assets and lease liabilities are recognized at the lease commencement date based on the estimated present value of the lease payments over the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The RTU asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs, and is amortized on a straight-line basis over its useful life. RTU assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position. As of December 31, 2022, the City has no leases, where the City was a lessee, that met the requirements of analysis and calculation under GASB 87.

For arrangements in which the City is the lessor, a lease receivable and a deferred inflow of resources is recognized at the commencement of the lease term, on both the fund which is expected to receive the lease payments, and on the government-wide statement. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relates to future periods.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments:

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate, that represents the rate at which it could borrow funds for a term equivalent to the lease agreements, as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Any lease determined to have a noncancellable period shorter than 12 months at its inception is a short-term lease, and is not required analysis and calculation under the provisions of GASB 87.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Debt premiums and discounts and deferred amounts on refunding, if any, are deferred and amortized over the life of the debt instrument using the straight-line method. Outstanding debt instruments are reported net of the applicable premiums and discounts.

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

Pensions

For purposes of measuring the net pension asset, deferred outflows of resources, deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Statewide Defined Benefit Plan (SWDBP) and additions to/deductions from SWDBP's fiduciary net position have been determined on the same basis as they are reported by SWDBP. For these purposes, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Fund Equity

Fund equity at the governmental fund financial reporting level is classified as fund balance. Fund equity for all other reporting is classified as net position.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Fund Balance - Generally, fund balance represents the difference between current assets, deferred outflows, current liabilities and deferred inflows. Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact. The City restricts amounts that have limitations imposed by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. Committed fund balance is reported pursuant to resolutions passed by the City Council, the City's highest level of decision-making authority. Committed fund balance includes amounts that can only be used for specific purposes. Commitments may be modified or rescinded only through resolutions approved by the City Council. Assigned fund balance includes amounts constrained for a specific purpose by the governing body or a committee or official that has been designated authority by the City Council to assign amounts. The Finance Director is designated as the person to determine fund balance amounts that will be reported as assigned on the City's year-end financial statements. Unassigned fund balance indicates that portion of fund balance that is available for appropriation in future periods.

In the case where there are various components of fund balance available to be spent for a specific purpose, the City's policy is to spend the most restricted funds first.

Net Position - Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net positions are reported as unrestricted.

Operating Revenues And Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for water and sewer services. Operating expenses are necessary costs incurred to provide these services.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Contributions Of Capital

Contributions of capital in enterprise fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system or from grants or outside contributions of resources restricted to capital acquisition and construction.

Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another, without a requirement for repayment, are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the nonoperating revenues/expenses section in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between funds reported in the governmental activities column are eliminated. Transfers between funds reported in the business-type activities column are also eliminated.

Estimates

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

Summarized Comparative Data

The basic financial statements include certain prior-year summarized comparative information in total, but not at the level of detail required for a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the City's financial statements for the year ended December 31, 2021, from which the summarized information was derived.

Stewardship, Compliance And Accountability

Budgetary Information - The City adopts an annual operating budget for the General Fund, each special revenue fund and the enterprise fund. The budget resolution reflects the total of each department's appropriation in each fund.

The governmental fund budgets are adopted on a basis consistent with GAAP. The budget for the enterprise fund is adopted on a non-GAAP, modified accrual budgetary basis.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget is the individual fund level. Any change in total to a fund appropriation requires approval of the City Council.

The Finance Director may approve budget transfers between departments and/or functions. During the year, the Finance Director approved minor budget revisions within each department. All unexpended annual appropriations lapse at year end.

2. Cash And Investments

Deposits

The Colorado Public Deposit Protection Act (PDPA) of 1989 requires that all units of local government deposit cash in eligible public depositories. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the uninsured deposits. The State Regulatory Commission for banks and financial services is required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

Custodial Credit Risk - This is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. As of December 31, 2022, the City's deposits were not exposed to custodial credit risk, as all deposits were insured by the Federal Deposit Insurance Corporation or collateralized in accordance with PDPA. At December 31, 2022, the City had bank deposits of \$676,202 collateralized with securities held by the financial institution's agent but not in the City's name. The City does not have a deposit policy for custodial credit risk beyond Colorado State Statute requirements.

Restricted Investments

The Water and Sewer Fund (an enterprise fund) is required to establish a bond reserve account related to the 2019 refunding bonds, restricted for the payment of the bonds and related interest. As of December 31, 2022, the Bond Reserve Account held a balance of \$99,080 to meet the requirement. The City holds the investment in a Colorado Government Liquid Asset Trust (COLOTRUST or the Trust) account.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements *(Continued)*

Investments

Colorado State Statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest, which include the following:

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

As of December 31, 2022, the City's investments had the following maturities:

Investment Type For The City	Fair Value	Up To 120 Days	Credit Rating
COLOTRUST	\$ 10,463,901	\$ 10,463,901	AAAm
Total Investments Controlled By The City	\$ 10,463,901	\$ 10,463,901	

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

The City has invested \$10,463,901 in COLOTRUST at December 31, 2022. The Trust is an investment vehicle established by state statute for local government entities in Colorado to pool surplus funds for investment purposes. The State Securities Commission administers and enforces all state statutes governing public investment pools. The investment is an external investment pool that reports at the fair value per share of the pool's underlying portfolio. The unit of account is each share held, and the value of the position is the fair value of the pool's share price multiplied by the number of shares held. For pricing and redeeming shares, COLOTRUST maintains a stable net asset value (NAV) of \$1 per share, which approximates fair value. The government-investor does not "look through" the pool to report a pro rata share of the pool's investments, receivables and payables. All COLOTRUST investments are reported at NAV. COLOTRUST offers shares in two portfolios, COLOTRUST PRIME and COLOTRUST PLUS+, which are both rated AAAM by Standard & Poor's. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper and repurchase agreements collateralized by certain obligations of U.S. government agencies. Financial statements and information about the pool for COLOTRUST may be obtained through its website at www.colotrust.com. COLOTRUST may, without the necessity of a formal meeting of their Board, temporarily suspend the right of redemption or postpone the date of payment for redeemed shares under certain specific conditions described in their trust indenture, and during any financial emergency when it is not reasonably practicable because of substantial losses which might be incurred.

Total Cash, Cash Equivalents And Investments

Total cash and cash equivalents	\$ 538,815
Total investments and restricted investments	<u>10,463,901</u>
Total Cash, Cash Equivalents And Investments	<u>\$ 11,002,716</u>

Interest Rate Risk - Beyond Colorado State Statute requirements, the City has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. No investment may be purchased with a final maturity of greater than five years.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Credit Risk - State law limits investments to the above-mentioned investment vehicles to the top two ratings issued by nationally recognized statistical rating organizations. The City has an investment policy that would further limit its investment choices, which allows only investments with a credit rating of AA- or better.

Custodial Credit Risk - The City places certain limits, ranging from 10% to 50% of its total portfolio, on the amount that may be invested in any one issuer, except for investments in money market mutual funds or local government investment pools, which are unrestricted investment types per the City's investment policy.

Concentration Risk - The City has 100% of its total investments with COLOTRUST. However, GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, and the City's investment policy do not recognize investments in external investment pools as being an exposure to concentration risk.

3. Receivables

Receivables at December 31, 2022 consisted of taxes, fees and billings for user charges, leases and other grant reimbursements outstanding. Receivables are recorded on the City's financial statements to the extent that the amounts are determined to be material and substantiated, not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation and collectability. As the City determined all receivables to be collectible, no allowance for doubtful accounts was recorded as of December 31, 2022.

Lease Receivables

On November 9, 2022, the City entered into an office space lease with UCHHealth. The initial term of the lease is for four years, with no option periods. No payments on the lease were made during the year ended December 31, 2022.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

4. Capital Assets

Capital asset government activity for the year ended December 31, 2022 was as follows:

	Balance December 31, 2021	Additions	Deductions	Balance December 31, 2022
Government Activities				
Capital assets not being depreciated:				
Land	\$ 8,010,941	\$ —	\$ —	\$ 8,010,941
Construction in process	279,754	1,917,368	—	2,197,122
Total Capital Assets Not Being Depreciated	8,290,695	1,917,368	—	10,208,063
Other Capital Assets				
Buildings	15,084,036	—	—	15,084,036
Equipment	2,735,338	177,947	—	2,913,285
Roads	15,801,919	—	—	15,801,919
Storm sewers	2,334,281	—	—	2,334,281
Sidewalks, curbs and gutters	1,440,448	—	—	1,440,448
Intersections	737,362	—	—	737,362
Street lights	1,092,679	—	—	1,092,679
Bridges	377,594	—	—	377,594
Vehicles	3,391,140	325,602	85,587	3,631,155
Parks	888,670	—	—	888,670
Street signs	69,167	—	—	69,167
Total Other Capital Assets	43,952,634	503,549	85,587	44,370,596
Total Cost	52,243,329	2,420,917	85,587	54,578,659
Accumulated Depreciation				
Buildings	11,677,968	382,134	—	12,060,102
Equipment	2,479,929	134,732	—	2,614,661
Roads	14,631,986	117,987	—	14,749,973
Storm sewers	1,601,193	66,694	—	1,667,887
Sidewalks, curbs and gutters	1,400,859	5,484	—	1,406,343
Intersections	736,572	—	—	736,572
Street lights	1,018,649	31,571	—	1,050,220
Bridges	286,972	15,104	—	302,076
Vehicles	3,000,461	117,116	85,587	3,031,990
Parks	725,630	29,865	—	755,495
Street signs	65,890	3,275	—	69,165
Total Accumulated Depreciation	37,626,109	903,962	85,587	38,444,484
Governmental Activities				
Capital Assets, Net	\$ 14,617,220	\$ 1,516,955	\$ —	\$ 16,134,175

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements *(Continued)*

Governmental activities depreciation expenses were allocated as follows:

	2022
General government	\$ 56,950
Public safety	270,285
Streets	517,969
Culture and recreation	58,758
Total Governmental Activities Depreciation	\$ 903,962

Capital asset business-type activity for the year ended December 31, 2022 was as follows:

	Balance December 31, 2021	Additions	Deductions	Balance December 31, 2022
Business-Type Activities				
Capital assets not being depreciated:				
Land	\$ 973,015	\$ —	\$ —	\$ 973,015
Water rights	1,658,254	—	—	1,658,254
Total Capital Assets Not Being Depreciated	2,631,269	—	—	2,631,269
Other Capital Assets				
Land improvements	12,271,155	—	—	12,271,155
Water system	14,650,224	66,312	—	14,716,536
Sewer system	2,382,547	—	—	2,382,547
Sewer plant	2,471,376	—	—	2,471,376
Equipment	1,626,116	—	—	1,626,116
Total Other Capital Assets	33,401,418	66,312	—	33,467,730
Total Capital Asset Cost	36,032,687	66,312	—	36,098,999
Accumulated Depreciation				
Land improvements	3,565,678	293,399	—	3,859,077
Water system	8,097,490	374,621	—	8,472,111
Sewer system	1,606,833	60,471	—	1,667,304
Sewer plant	1,022,207	38,249	—	1,060,456
Equipment	5,653,682	372,848	—	6,026,530
Total Accumulated Depreciation	19,945,890	1,139,588	—	21,085,478
Business-Type Activities Capital Assets, Net	\$ 16,086,797	\$ (1,073,276)	\$ —	\$ 15,013,521

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

5. Long-Term Debt

The City reports long-term debt related to its governmental and business-type activities.

Business-Type Activities - Water Revenue Refunding Bonds

In 2019, the City issued the Series 2019A Water Revenue Refunding Bonds in the amount of \$1,050,000 at an interest rate ranging from 2.00 - 3.50%. The bonds require semi-annual payments. Annual debt service requirements to amortize water and sewer bonds outstanding as of December 31, 2022 follow:

2019A Series Water Refunding Bonds			
Year	Principal	Interest	Total
2023	\$ 65,000	\$ 25,960	\$ 90,960
2024	65,000	24,562	89,562
2025	70,000	23,100	93,100
2026	70,000	21,525	91,525
2027	75,000	19,075	94,075
2028 - 2032	405,000	54,775	459,775
2033	65,000	2,275	67,275
Total	\$ 815,000	\$ 171,272	\$ 986,272

Pledged Revenue Requirements

The City has issued revenue bonds to fund capital projects and infrastructure of its water and sewer system, which has pledged “net revenue” (all income and revenues directly or indirectly derived by the City less operation and maintenance expenses) toward the repayment of the revenue bonds noted above. Revenues are pledged until the bonds are paid off in full or refunded in full. Pledged net revenues recognized for the year ended December 31, 2022 were \$141,751. Debt service payments for the year ended December 31, 2022 were \$92,358.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

Governmental Activities - Vehicle Note Payable

In 2022, the City acquired a vehicle financed by a note payable in the amount \$198,950 at an interest rate of 2.90%. The note requires semi-annual payments, with the asset serving as collateral. Annual debt service requirements to amortize the note payable outstanding as of December 31, 2022 follow:

Vehicle Note Payable			
Year	Principal	Interest	Total
2023	\$ 42,097	\$ 4,549	\$ 46,646
2024	42,097	3,328	45,425
2025	42,097	2,107	44,204
2026	30,562	886	31,448
Total	\$ 156,853	\$ 10,870	\$ 167,723

Changes In Long-Term Liabilities

Changes in the City's long-term obligations consisted of the following for the year ended December 31, 2022:

Governmental Activities	Beginning December 31, 2021	Additions To Principal	Reductions To Principal	Ending December 31, 2022	Due In One Year
Vehicle note payable	\$ —	\$ 198,950	\$ 42,097	\$ 156,853	\$ 42,097
Compensated absences	185,700	49,181	—	234,881	46,976
Total Governmental Activities	\$ 185,700	\$ 248,131	\$ 42,097	\$ 391,734	\$ 46,976

Business-Type Activities	Ending December 31, 2021	Additions To Principal	Reductions To Principal	Ending December 31, 2022	Due In One Year
Water revenue refunding bonds 2019A	\$ 880,000	\$ —	\$ 65,000	\$ 815,000	\$ 65,000
Premium on bond	23,966	—	2,025	21,941	2,025
Compensated absences	24,744	—	6,009	18,735	3,747
Total Business-Type Activities	\$ 928,710	\$ —	\$ 73,034	\$ 855,676	\$ 70,772

Principal and interest payments related to the water revenue refunding bonds will be paid by the enterprise fund. Principal and interest payments relating to the vehicle note payable will be paid by the General Fund.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid.

6. Defined Contribution Pension Plan

General Employees Retirement

City employees are covered under a 401(a) defined contribution plan maintained and administered through Colorado Retirement Association (CRA). The plan is established and amended under Colorado State Statute. Under the terms of the defined contribution plan, participants are required to contribute 8% of annual compensation with a matching amount from the City. Vesting begins immediately upon participation with 100% vesting occurring after 5 years of credited service or age 62, whichever is earlier. Defined contribution plans are not required to have actuarial valuations performed. The contributions made by the City totaled \$234,661, and the employees contributed an equal amount. In addition, employees can contribute additional funds into CRA's 457 plan.

Police Department Employees Retirement

The City's Police Department participates in the CRA plan and contributes to Social Security and Medicare monthly. Police Department employees are not able to participate in the State of Colorado's Fire and Police Pension Association (FPPA) because they were enrolled in Social Security and did not elect to become members of FPPA in 1982.

7. FPPA Statewide Cost-Sharing Defined Benefit Pension Plan (SWDBP)

FPPA SWDBP Plan Description

Eligible employees of the City are provided with pensions through SWDBP, a cost-sharing multiple-employer defined benefit pension plan administered by FPPA. FPPA issues a publicly available comprehensive annual financial report that can be obtained on FPPA's website at <http://www.fppaco.org>.

Benefits Provided

SWDBP provides retirement and disability, annual increases and death benefits for members or their beneficiaries. A member is eligible for a normal retirement pension once the member has completed 25 years of credited service and has attained the age of 55. Effective January 1, 2021, a member may also qualify for a normal retirement pension if the member's combined years of service and age equals at least 80, with a minimum age of 50 (Rule of 80).

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

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

A member is eligible for an early retirement at age 50 or after 30 years of service, with at least 5 years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis. Upon termination, an employee may elect to have member contributions, along with 5% as interest, returned as a lump sum distribution. Alternatively, a member with at least 5 years of accredited service may leave contributions with SWDBP and remain eligible for a retirement pension at age 55 equal to 2% of the member's average highest 3 years' base salary for each year of credited service up to 10 years, plus 2.5% for each year of service thereafter.

Contributions

Contribution rates for employers and members may be increased equally by the FPPA Board of Directors upon approval through an election by both the employers and members

In 2014, the members elected to increase the member contribution rate to SWDBP beginning in 2015. Member contribution rates increased 0.5% annually through 2022 to a total of 12% of pensionable earnings. Employer contributions increase 0.5% annually beginning in 2021 through 2030 to a total of 13% of pensionable earnings. In 2021, members of the SWDBP and their employers are contributing at the rate of 11.5% and 8.5%, respectively, of pensionable earnings for a total contribution rate of 20%.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Contributions from members and employers or departments re-entering the system are established by resolution and approved by the FPPA Board of Directors. The member and employer contribution rates will increase through 2030 as described above for the non-reentering departments. Effective January 1, 2021, reentry departments may submit a resolution to the FPPA Board of Directors to reflect the actual cost of reentry by department. Each reentry department is responsible to remit contributions to the plan in accordance with their most recent FPPA Board of Directors approved resolution.

The contribution rate for members and employers of affiliated Social Security employers is 5.75% and 4.25%, respectively, of pensionable earnings for a total contribution rate of 10% in 2021 and 9.75% in 2021. Per the 2014 member election, members of the affiliate Social Security group will have their required contribution rate increase 0.25% annually beginning in 2015 through 2022 to a total of 6% of pensionable earnings. Employer contributions are 4.25% and 4.50% in 2021 and 2022. Employer contributions will increase 0.25% annually beginning in 2021 through 2030 to a total of 6.5% of pensionable earnings.

Employer contributions are recognized by SWDBP in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions to SWDBP. Employer contributions recognized by SWDBP from the City were \$73,249 for the year ended December 31, 2022.

Pension Assets, Pension Benefit, Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions

At December 31, 2022, the City reported a net pension asset of \$470,307 for its proportionate share of the plan's net pension asset. The net pension asset was measured as of December 31, 2021, and the total pension liability was determined by an actuarial valuation as of January 1, 2022. The City's proportion of the net pension asset was based on City contributions to SWDBP for the calendar year 2021, relative to the total contributions of participating employers.

At December 31 2021, the City's portion was 0.0868%, which was a decrease of 0.0072% from its portion measured as of December 31, 2020.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

For the year ended December 31, 2022, the City recognized pension benefit of \$40,267. At December 31, 2022, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Governmental Activities</u>
Deferred Outflows Of Resources	
Changes of assumptions	\$ 67,069
Changes in proportion and differences between contributions and proportionate share of contributions	81,344
Differences between actual and expected experience	134,674
Contributions subsequent to measurement date	73,249
<hr/>	
Total Deferred Outflows Of Resources	\$ 356,336
<hr/>	
Deferred Inflows Of Resources	
Net difference between projected and actual earnings on pension plan investments	\$ 314,756
Changes in proportion and differences between contributions and proportionate share of contributions	3,081
Differences between expected and actual experience	10,969
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Total Deferred Inflows Of Resources	\$ 328,806
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The amount of \$73,249 reported as deferred outflows of resources related to pensions, resulting from 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 pensions will be recognized in pension expense (benefit) as follows:

For The Year Ended December 31,	
<hr/>	
2023	\$ (29,844)
2024	(62,401)
2025	(29,577)
2026	767
2027	38,693
Thereafter	36,643
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Total	\$ (45,719)
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CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

Actuarial Assumptions

The January 1, 2022 actuarial valuation for SWDBP was used to determine the total pension liability at December 31, 2021 and actuarially determined contributions for the fiscal year ending December 31, 2022. The valuations used the following actuarial assumption and other inputs:

	<u>Actuarial Assumptions</u>	<u>Actuarially Determined Contributions</u>
Valuation date	January 1, 2022	January 1, 2021
Actuarial cost method	Entry Age Normal	Entry Age Normal
Amortization method	N/A	Level % Payroll, Open
Remaining amortization period	N/A	30 Years
Actuarial assumptions:		
Investment rate of return*	7.0%	7.5%
Projected salary increases*	4.25% - 11.25%	4.0% - 11.25%
Cost of living adjustments	0.0%	0.0%
 * Includes inflation at:	 2.5%	 2.5%

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

At least every five years, the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2018 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Co., based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2019. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

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%). 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 Rate Of Return
Global equity	39%	8.23%
Equity long/short	8%	6.87%
Private markets	26%	10.63%
Fixed income - rates	10%	4.01%
Fixed income - credit	5%	5.25%
Absolute return	10%	5.60%
Cash	2%	2.32%
Total	100%	

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made based on the actuarially determined rates based on the FPPA's Board of Directors' funding policy, which establishes the contractually required rates under Colorado statutes. Based on those assumptions, the SWDBP 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.

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (*Continued*)

For the purpose of the valuation, the expected rate of return on pension plan investments is 7.00%, the municipal bond rate is 1.84% (based on the weekly rate closest to but not later than the measurement date of the state and local bonds rate from Federal Reserve statistical release (H.15)) and the resulting single discount rate is 7.00%.

Sensitivity Of The City's Proportionate Share Of The Net Pension Liability (Asset) To Changes In The Discount Rate

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, calculated using a single discount rate of 7.00%, as well as what the plan's net pension asset would be if it were calculated using a single discount rate that is one percent lower (6.00%) or one percent higher (8.00%):

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
Proportionate share of the net pension liability (asset)	\$ (64,858)	\$ (470,307)	\$ (873,021)

Other Information

During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of SWDBP and the 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 of benefits. The financial impact of the merger of plans is being determined.

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. These assumptions will be included in the Statewide Retirement Plan valuation as of January 1, 2023.

Pension Plan Fiduciary Net Position

Detailed information about SWDBP's fiduciary net position is available in FPPA's comprehensive annual financial report, which can be obtained on FPPA's website at <http://www.fppaco.org>.

8. Defined Contribution Other Post-Employment Benefit Plan

FPPA Statewide Death And Disability Plan

Plan Description - The City's full-time firefighters participate in FPPA's Statewide Death And Disability Plan (the Plan), a cost-sharing, multi-employer defined benefit death and disability plan.

Contributions to the Plan are used solely for the payment of death and disability benefits. The Plan was established in 1980 pursuant to Colorado Revised Statutes and can be amended through such statutes.

Contributions - Prior to 1997, the Plan was primarily funded by the State of Colorado, whose contributions were established by Colorado Statute. The state made a one-time contribution in 1997 of \$39,000,000 to fund the past and future service costs for all firefighters and police officers hired prior to January 1, 1997. No further state contributions are anticipated. Members hired on or after January 1, 1997 contribute a percentage of the payroll based on actuarial experience. This represented 3.2% for 2022. The City contributed \$26,044 to the Plan during 2022.

Benefits - If a member dies prior to retirement, the surviving spouse is entitled to a benefit equal to 40% of the member's monthly base salary. Dependent children are also entitled to benefits according to an established scale. Benefit entitlement continues until death or remarriage of the spouse and death, marriage or other termination of dependency of children.

A member who becomes disabled prior to retirement shall be eligible for disability benefits. The benefit is 70% of base salary for cases of total disability and 50% for cases of occupational disability, reduced by the amount of certain other benefits received.

Benefits paid to members are evaluated and may be redetermined on October 1 of each year. Any increase in the level of benefits cannot exceed the lesser of the increase in the Consumer Price Index or 3%.

Pension Liabilities, Pension Expense And Deferred Outflows Of Resources And Deferred Inflows Of Resources Related To Pensions - The City has no requirement to contribute to the plan and does not receive contributions from a nonemployer entity. Therefore, the City does not report a net other post-employment benefit (OPEB) liability, or deferred outflows of resources and deferred inflows of resources related to OPEB.

CITY OF CRIPPLE CREEK, COLORADO

Notes To Basic Financial Statements (Continued)

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

9. Net Position And Fund Balance

The net investment in capital assets on the government-wide statement of net position as of December 31, 2022 was computed as follows:

	<u>Governmental Activities</u>	<u>Business- Type Activities</u>
Net investment in capital assets:		
Cost of capital assets	\$ 54,578,659	\$ 36,098,999
Less: Accumulated depreciation	38,444,484	21,085,478
Book value	16,134,175	15,013,521
Less: Capital-related debt amounts	156,853	828,245
Net Investment In Capital Assets	\$ 15,977,322	\$ 14,185,276

The table below delineates the City's December 31, 2022 ending fund balances for the governmental funds:

	<u>General Fund</u>	<u>Historic Preservation Fund</u>	<u>Total</u>
Fund Balances			
Restricted:			
Emergencies	\$ 233,817	\$ —	\$ 233,817
Historic preservation	—	2,777,646	2,777,646
Unassigned	7,528,719	—	7,528,719
Total Fund Balance	\$ 7,762,536	\$ 2,777,646	\$ 10,540,182

10. Risk Management

The City is exposed to various risks of loss related to employees while on the job, property and casualty losses. The City has purchased commercial insurance with various levels of deductibles to cover these losses. Claims have not exceeded coverage in any of the past three years.

11. Contingent Liabilities And Uncertainties

The City has received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the City believes such disallowances, if any, will be immaterial.

As of December 31, 2022, there were a number of pending claims and lawsuits involving the City. The outcome of these matters is currently unknown; however, the City's legal counsel has reviewed all such litigation and claims and is of the opinion that any outstanding claims not covered by insurance would not materially affect the City's financial position.

12. Tax, Spending And Debt Limitations

Colorado voters passed an Amendment to the State Constitution, Article X, Section 20 (the Taxpayer Bill of Rights, otherwise known as TABOR), which has several limitations, including revenue raising, spending abilities and other specific requirements of the state and local governments. The City, through the election process, has exempted certain revenues, not including property tax revenue, from TABOR. TABOR is complex and subject to judicial interpretation. The City recorded \$233,817 for emergency reserves in the General Fund, which it believes maintains compliance with TABOR.

13. Economic Dependency

The City derives a large percentage of its revenues from gaming tax and device fees. The financial position of the City would be significantly different without those revenues.

14. Interfund Transactions

The Historic Preservation Fund made a transfer to the General Fund of \$50,000, which will not be paid back. The \$50,000 was used for marketing.

The Water and Sewer Fund made a transfer to the General Fund of \$9,500, which will not be paid back. The \$9,500 was used for City Council compensation.

Required Supplementary Information
(Unaudited)

CITY OF CRIPPLE CREEK, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND For The Year Ended December 31, 2022

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Property tax	\$ 142,133	\$ 126,627	\$ (15,506)
Sales tax	835,000	1,285,129	450,129
Lodging taxes	300,000	314,023	14,023
Gaming taxes	1,875,000	2,446,140	571,140
Other taxes	21,000	26,088	5,088
Device fees	3,550,500	3,570,140	19,640
Intergovernmental	2,739,703	2,825,747	86,044
Licenses and permits	234,950	378,207	143,257
Charges for service	237,400	284,181	46,781
Fines and forfeitures	10,500	13,543	3,043
Investment earnings	2,300	107,563	105,263
Rental income	30,967	66,867	35,900
Ticket and retail sales	—	288	288
Miscellaneous	152,400	228,614	76,214
Total Revenues	10,131,853	11,673,157	1,541,304
Expenditures			
General government	4,301,186	3,227,640	1,073,546
Public safety	3,172,389	3,132,948	39,441
Streets	657,448	404,406	253,042
Culture and recreation	460,799	440,676	20,123
Capital outlay	1,828,024	2,414,294	(586,270)
Debt service:			
Principal retirements	—	42,097	(42,097)
Total Expenditures	10,419,846	9,662,061	757,785
Other Financing Sources (Uses)			
Transfers in	59,500	59,500	—
Proceeds from vehicle note	—	198,950	198,950
Other Financing Sources (Uses)	59,500	258,450	198,950
Net Changes In Fund Balance	\$ (228,493)	2,269,546	\$ 2,498,039
Fund Balance, Beginning Of Year		5,492,990	
Fund Balance, End Of Year		\$ 7,762,536	

CITY OF CRIPPLE CREEK, COLORADO

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - HISTORIC PRESERVATION FUND For The Year Ended December 31, 2022

	Original And Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues			
Gaming taxes	\$ 925,000	\$ 924,387	\$ (613)
Investment earnings	1,600	39,225	37,625
Operating grants, contributions and interest	9,600	21,350	11,750
Ticket and retail sales	282,500	316,544	34,044
Miscellaneous	26,000	62,256	36,256
Total Revenues	1,244,700	1,363,762	119,062
Expenditures			
General government	618,993	570,675	48,318
Culture and recreation	549,864	483,975	65,889
Capital outlay	—	29,190	(29,190)
Total Expenditures	1,168,857	1,083,840	85,017
Other Financing Uses			
Transfer out	(50,000)	(50,000)	—
Net Changes In Fund Balance	\$ 25,843	229,922	\$ 204,079
Fund Balance, Beginning Of Year		2,547,724	
Fund Balance, End Of Year		\$ 2,777,646	

CITY OF CRIPPLE CREEK, COLORADO

**SCHEDULE OF THE CITY'S PROPORTIONATE SHARE
OF THE NET PENSION (ASSET) LIABILITY**

**For The Year Ended December 31, (Measurement Date)
Employee Pension Plan
Year Eight⁽¹⁾**

	2021	2020	2019	2018	2017	2016	2015	2014
City's portion of the net pension (asset) liability	0.0868%	0.0939%	0.0999%	0.1124%	0.1246%	0.1336%	0.1504%	0.1423%
City's proportionate share of the net pension (asset) liability	\$ (470,307)	\$ (204,023)	\$ (56,537)	\$ 142,084	\$ (179,273)	\$ 48,279	\$ (2,651)	\$ (160,592)
City's covered payroll	\$ 742,288	\$ 724,138	\$ 764,813	\$ 677,421	\$ 731,112	\$ 709,191	\$ 729,600	\$ 710,738
City's proportionate share of the net pension (asset) liability as a percentage of its payroll	-63.36%	-28.17%	-7.39%	20.97%	-24.52%	6.81%	-0.36%	-22.60%
Plan fiduciary net position as a percentage of the total pension (asset) liability	116.20%	106.70%	101.90%	95.20%	106.30%	98.21%	100.10%	106.80%

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for those years for which information is available.

CITY OF CRIPPLE CREEK, COLORADO
SCHEDULE OF THE CITY'S CONTRIBUTIONS
TO THE PENSION PLAN
For The Year Ended December 31,
Employee Pension Plan
Year Eight⁽¹⁾

	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 73,249	\$ 59,383	\$ 57,931	\$ 61,185	\$ 54,194	\$ 58,489	\$ 56,735	\$ 58,368
Contributions in relation to the contractually required contribution	73,249	59,383	57,931	61,185	58,016	58,489	56,735	58,368
Contribution Deficiency (Excess)	\$ —	\$ —	\$ —	\$ —	\$ (3,822)	\$ —	\$ —	\$ —
City's covered payroll	\$ 813,874	\$ 742,288	\$ 724,138	\$ 764,813	\$ 677,421	\$ 731,112	\$ 709,191	\$ 729,600
Contributions as a percentage of covered-employee payroll	9.00%	8.00%	8.00%	8.00%	8.56%	8.00%	8.00%	8.00%

(1) This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City is presenting information for those years for which information is available.

CITY OF CRIPPLE CREEK, COLORADO

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION

December 31, 2022

1. **Budgetary Information**

Budgets for major governmental funds are adopted on the modified accrual basis where capital outlays are treated as expenditures and depreciation is not budgeted. Proceeds from debt financing and the sale of general fixed assets are accounted for as other financing sources. In addition, debt service principal payments are included as expenditures in the budget. The operating budget includes proposed expenditures and the means of financing them. The City Council must approve transfers between funds or increases to a fund's budget.

Colorado's budget law requires that expenditures and transfers for a department or fund cannot exceed the appropriations for that department or fund. Appropriations for a department or fund may be increased, provided unanticipated resources offset them.

The budget is controlled at the category line item level within each division within each fund. However, the legal level of appropriation is at the fund level. If the division expenditures exceed the division budget by more than \$500, then the expenditures are deemed to be in excess of the appropriations.

Supplementary Information

CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE BALANCE SHEET - GENERAL FUND

December 31, 2022

(With Comparative Financial Information

As Of December 31, 2021)

Assets

	2022	2021
Cash and cash equivalents	\$ 183,906	\$ 422,857
Investments	6,992,864	4,801,401
Receivables:		
Accounts	1,319,230	737,838
Property taxes	149,598	141,733
Leases	27,253	—
Total Assets	\$ 8,672,851	\$ 6,103,829

Liabilities, Deferred Inflows Of Resources And Fund Balance

Liabilities

Accounts payable	\$ 134,288	\$ 237,897
Accrued expenditures	114,251	73,110
Retainage payable	95,492	—
Unearned grant revenue	316,217	158,099
Total Liabilities	660,248	469,106

Deferred Inflows Of Resources

Property tax revenue	149,598	141,733
Unavailable revenue	73,216	—
Leases	27,253	—
Total Deferred Inflows Of Resources	250,067	141,733

Fund Balance

Restricted	233,817	190,141
Unassigned	7,528,719	5,302,849
Total Fund Balance	7,762,536	5,492,990

Total Liabilities, Deferred Inflows Of Resources And Fund Balance

\$ 8,672,851	\$ 6,103,829
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CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND

**For The Years Ended December 31, 2022
(With Comparative Financial Information
For The Year Ended December 31, 2021)**

	2022	2021
Revenues		
Property tax	\$ 126,627	\$ 135,511
Sales tax	1,285,129	928,403
Lodging tax	314,023	284,345
Gaming taxes	2,446,140	1,791,194
Other taxes	26,088	23,707
Device fees	3,570,140	2,977,508
Intergovernmental	2,825,747	1,796,512
Licenses and permits	378,207	1,020,030
Charges for service	284,181	194,261
Fines and forfeitures	13,543	8,671
Investment earnings	107,563	1,518
Rental income	66,867	22,825
Ticket and retail sales	288	363
Miscellaneous	228,614	159,667
Total Revenues	11,673,157	9,344,515
Expenditures		
General government	3,227,640	3,092,411
Public safety	3,132,948	2,737,291
Streets	404,406	306,927
Culture and recreation	440,676	418,284
Capital outlay	2,414,294	550,087
Debt service:		
Principal retirements	42,097	—
Total Expenditures	9,662,061	7,105,000
Excess Of Revenues Over Expenditures	2,011,096	2,239,515
Other Financing Sources		
Transfers in	59,500	84,500
Proceeds from vehicle note	198,950	—
Proceeds from sale of asset	—	5,685
Other Financing Sources	258,450	90,185
Net Changes In Fund Balance	2,269,546	2,329,700
Fund Balance, Beginning Of Year	5,492,990	3,163,290
Fund Balance, End Of Year	\$ 7,762,536	\$ 5,492,990

CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE BALANCE SHEET - HISTORIC PRESERVATION FUND

December 31, 2022

(With Comparative Financial Information
As Of December 31, 2021)

	Assets	
	2022	2021
Cash and cash equivalents	\$ 132,100	\$ 70,829
Investments	2,671,697	2,497,472
Receivables:		
Accounts	6,086	1,018
Total Assets	\$ 2,809,883	\$ 2,569,319
Liabilities And Fund Balance		
Liabilities		
Accounts payable	\$ 23,459	\$ 18,430
Accrued expenditures	8,778	3,154
Due to other funds	—	11
Total Liabilities	32,237	21,595
Fund Balance		
Restricted	2,777,646	2,547,724
Total Liabilities And Fund Balance	\$ 2,809,883	\$ 2,569,319

CITY OF CRIPPLE CREEK, COLORADO

COMPARATIVE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - HISTORIC PRESERVATION FUND For The Years Ended December 31, 2022 (With Comparative Financial Information For The Year Ended December 31, 2021)

	2022	2021
Revenues		
Gaming taxes	\$ 924,387	\$ 895,941
Investment earnings	39,225	973
Operating grants, contributions and interest	21,350	16,888
Ticket and retail sales	316,544	260,652
Miscellaneous	62,256	51,487
Total Revenues	1,363,762	1,225,941
Expenditures		
General government	570,675	377,427
Culture and recreation	483,975	442,297
Capital outlay	29,190	10,072
Total Expenditures	1,083,840	829,796
Excess Of Revenues Over Expenditures	279,922	396,145
Other Financing Uses		
Transfers out	(50,000)	(75,000)
Net Changes In Fund Balance	229,922	321,145
Fund Balance, Beginning Of Year	2,547,724	2,226,579
Fund Balance, End Of Year	\$ 2,777,646	\$ 2,547,724

CITY OF CRIPPLE CREEK, COLORADO

SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - WATER AND SEWER FUND

For The Year Ended December 31, 2022
(With Comparative Financial Information
For The Year Ended December 31, 2021)

	2022			2021 Actual
	Original And Final Budget	Actual	Variance Favorable (Unfavorable)	
Revenues				
Charges for service	\$ 1,233,696	\$ 1,271,532	\$ 37,836	\$ 1,017,162
Device fees (security for debt)	—	—	—	164,142
Proceeds on sale of assets	—	—	—	4,461
Tap fees	140,000	2,000	(138,000)	142,450
Other income	42,000	68,878	26,878	53,906
Investment earnings	475	13,745	13,270	312
Total Revenues	1,416,171	1,356,155	(60,016)	1,382,433
Expenditures				
Professional services	95,500	198,953	(103,453)	121,356
Supplies	31,765	33,314	(1,549)	35,849
Personnel services	560,347	474,495	85,852	599,278
Maintenance and repairs	218,103	225,792	(7,689)	126,093
Utilities and telephone	189,585	212,895	(23,310)	181,771
Other/miscellaneous	72,300	55,210	17,090	61,997
Capital outlay	108,000	66,312	41,688	—
Debt service	92,358	90,684	1,674	92,289
Transfers out	9,500	9,500	—	9,500
Total Expenditures	1,377,458	1,367,155	10,303	1,228,133
Change In Net Position	\$ 38,713	\$ (11,000)	\$ (49,713)	\$ 154,300
Reconciliation To GAAP Basis				
Add:				
Capital outlay		66,312		—
Principal retirement		65,000		65,000
Subtract:				
Depreciation		(1,139,588)		(1,137,929)
Change In Net Position		(1,019,276)		(918,629)
Net Position, Beginning Of Year		16,170,371		17,089,000
Net Position, End Of Year		\$ 15,151,095		\$ 16,170,371

Special Reports Section

CITY OF CRIPPLE CREEK, COLORADO

LOCAL HIGHWAY FINANCE REPORT

Financial Planning 02/01
Form # 350-050-36

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

LOCAL HIGHWAY FINANCE REPORT	City or County: Cripple Creek
	YEAR ENDING : December 2022
This Information From The Records Of The City Of Cripple Creek:	Prepared By: Paul Harris, Finance Director Phone: (719)689-2502

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	-
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	10,383
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	-	b. Snow and ice removal	50,206
3. Other local imposts (from page 2)	26,729	c. Other	56,860
4. Miscellaneous local receipts (from page 2)	553,543	d. Total (a. through c.)	107,066
5. Transfers from toll facilities		4. General administration & miscellaneous	340,417
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	296,215
a. Bonds - Original Issues		6. Total (1 through 5)	754,081
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	
7. Total (1 through 6)	580,272	b. Redemption	
B. Private Contributions	-	c. Total (a. + b.)	-
C. Receipts from State government (from page 2)	85,677	2. Notes:	
D. Receipts from Federal Government (from page 2)	-	a. Interest	
E. Total receipts (A.7 + B + C + D)	665,949	b. Redemption	
		c. Total (a. + b.)	-
		3. Total (1.c + 2.c)	-
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D.4 + E.5)	754,081

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursement	D. Ending Balance	E. Reconciliation
	99,010	665,949	754,081	10,878	-

Notes and Comments:

CITY OF CRIPPLE CREEK, COLORADO

LOCAL HIGHWAY FINANCE REPORT

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado	
		YEAR ENDING (mm/yy): December 2022	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	0	a. Interest on investments	0
b. Other local imposts:		b. Traffic Fines & Penalties	13,543
1. Sales Taxes	0	c. Parking Garage Fees	0
2. Infrastructure & Impact Fees	13,809	d. Parking Meter Fees	0
3. Liens		e. Sale of Surplus Property	0
4. Licenses		f. Charges for Services	0
5. Specific Ownership &/or Other	12,920	g. Other Misc. Receipts	0
6. Total (1. through 5.)	26,729	h. Other	540,000
c. Total (a. + b.)	26,729	i. Total (a. through h.)	553,543
	(Carry forward to page 1)		(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	72,509	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	13,168	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) CDOT Grant		f. Other Federal	0
f. Total (a. through e.)	13,168	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	85,677	3. Total (1. + 2.g)	
			(Carry forward to page 1)
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		0	0
b. Engineering Costs		0	0
c. Construction:			
(1). New Facilities		-	-
(2). Capacity Improvements		-	-
*Correction (see below in notes)		-	-
(3). System Preservation		-	-
(4). System Enhancement & Operation		-	-
(5). Total Construction (1) + (2) + (3) + (4)	-	-	-
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	-	-
			(Carry forward to page 1)
Notes and Comments:			