

City of Castle Pines, Colorado

**Financial Statements and
Independent Auditors' Report**

December 31, 2024



Table of Contents

	Page
Independent Auditors' Report	I
Management's Discussion and Analysis	IV-XII
Basic Financial Statements	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements	
Balance Sheet—Governmental Funds	3
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	4
Statement of Revenues, Expenditures and Changes in Fund Balances—Governmental Funds	5
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	6
Statement of Net Position – Proprietary Fund.....	7
Statement of Revenues, Expenses, and Change in Net Position – Proprietary Fund	8
Statement of Cash Flows – Proprietary Fund.....	9
Notes to Financial Statements	10-42
Required Supplemental Information	
Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual General Fund	43
Schedule of Revenues, Expenditures, and Change in Fund Balance—Budget and Actual Parks and Recreation Fund	44
Schedule of Revenues, Expenditures, and Change in Fund Balance—Budget and Actual Parks and Recreation North Fund	45
Schedule of Revenues, Expenditures, and Change in Fund Balance—Budget and Actual Roads Fund	46
Retirement Plan Required Supplementary Information	47
Notes to the Required Supplementary Information	48
Supplementary Information	
Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual Community Capital Investment Fund	49
Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual Capital Improvements Fund	50
Combining, Individual Fund Financial Statements and Schedules	
Nonmajor Governmental Funds – Combining Balance Sheet	51
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	52

Table of Contents

Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual Conservation Trust Fund	53
Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual North Pine Vistas Metro Districts Nos. 1-3 O&M Fund	54
Schedule of Revenues, Expenses and Change in Fund Balance—Budget and Actual Proprietary Fund	55
Local Highway Finance Report	56-57



1221 W. Mineral Avenue, Suite 202
Littleton, CO 80120

 303-734-4800

 303-795-3356

 www.HaynieCPAs.com

Independent Auditors' Report

Honorable Mayor and the City Council
City of Castle Pines, Colorado

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Castle Pines, Colorado (the "City"), as of and for the year ended December 31, 2024, 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 financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position 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. 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 opinion.

Emphasis of Matter

As discussed in Note 9 to the financial statements, the City restated the beginning net position of the Stormwater Fund to correctly allocate pension and OPEB activity from the prior-year, and to reclassify construction in progress from the proprietary fund to the governmental fund. 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 these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a

guarantee that an audit conducted in accordance with generally accepted 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 generally accepted 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, budgetary comparison information for the general fund and all major special revenue funds, and the retirement plan information as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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 accompanying combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the local highway finance report, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing

procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules, and the local highway finance report are fairly stated, in all material respects, in relation to the financial statements as a whole.

Haynie & Company

Littleton, Colorado
June 30, 2025



**Management's Discussion and Analysis
For the Year Ended December 31, 2024
City of Castle Pines, Colorado**

Management of the City of Castle Pines (the “City”) offers the following narrative overview and analysis of the City’s financial activities for the fiscal year ended December 31, 2024. It is intended to help readers understand the financial condition of the City and should be read in conjunction with the audited financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- Government-wide total revenues reached approximately \$29.3 million, up 8 percent from the prior year.
- Total expenses increased to \$18.9 million, up 22 percent from 2023.
- The City’s net position increased by \$10.4 million, resulting in an ending net position of \$98.8 million, a 12 percent increase over the prior year.
- Capital assets increased by nearly \$5.4 million, ending the year at \$75.7 million and reflects continued investment in public infrastructure, including road improvements and park improvements.
- Governmental fund balances increased by \$4.4 million, ending the year at \$22.2 million. The increase was largely driven by new voter-approved revenue sources, including the 1% transportation sales tax and the 12-mill property tax for parks, recreation, and open space. These new taxes generated substantial first-year revenues, contributing to fund balance growth.
- The Stormwater Enterprise Fund’s net position increased by \$437,000, ending the year at \$1.76 million.

Additional 2024 Highlights

- Sales and use tax revenue totaled \$11.0 million, up from \$7.8 million in 2023. This increase reflects the first full year of the voter-approved 1% transportation sales tax effective January 1, 2024, which generated \$2.9 million for the new Roads Fund. The existing 2.75% General Fund sales and use tax totaled \$8.0 million, a 3% increase over 2023. The three major components included \$6.4 million in sales tax, \$2.4 million in motor vehicle use tax, and \$2.2 million in construction material use tax. Construction use tax, while a significant contributor to annual revenues, continues to vary widely year by year depending on development activity.
- Property and specific ownership tax revenue increased to \$6.7 million, up from \$1.3 million in 2023. The General Fund’s long-standing 4.5 mill levy generated \$1.8 million in 2024, a 39% increase from the prior year due to rising assessed valuations. Additionally, a new 12 mill levy—approved by voters in 2023 and effective January 1, 2024—generated \$4.9 million for parks, recreation, and open space purposes. This new City levy replaced an equivalent 12 mills previously levied by local metro districts, resulting in no net increase in the overall property tax burden for residents.

- Capital grants and contributions increased to \$2.6 million, up from \$698,213 in 2023, supporting a range of infrastructure projects.
- The City earned \$890,604 in investment income, a strong return driven by active cash management in a favorable interest rate environment.

OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

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

Government-wide financial statements. These statements are designed to provide readers with a broad overview of the City's finances, like that of a private-sector business.

The statement of net position presents information on all City positions and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may indicate whether the City's financial position is improving or deteriorating.

The statement of activities presents information showing changes in the City's net position during the fiscal year. Changes in net position are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for certain items that will only result in cash flows in future fiscal periods.

Both government-wide financial statements identify functions of the City that are primarily supported by property, sales, and use taxes (governmental activities). The City's governmental activities include general government, public safety, public works, parks and recreation, and community development.

The government-wide financial statements are on pages 1 and 2 of this report.

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City maintains eight (8) funds: the General Fund, the Parks and Recreation Fund, the Parks and Recreation North Fund, the Roads Fund, the Community Capital Investment Fund, the Capital Improvements Fund, the Conservation Trust Fund, and the North Pine Vistas Metro Districts Nos. 1-3 O&M Fund (NPVMD Fund).

Governmental funds. Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at

the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, comparing the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements is helpful. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. The financial statements provide a reconciliation to facilitate this comparison between the governmental fund and governmental activities.

The City adopts an annual appropriated budget for all funds. As required, a budgetary comparison schedule has been provided for the major funds (General Fund, Parks and Recreation Fund, Parks and Recreation North Fund, Roads Fund, Community Capital Investment Fund, and Capital Improvements Fund), along with other supplementary information to demonstrate compliance with the budget.

Notes to financial statements. The notes provide additional information essential to fully understanding the data provided in the government-wide and fund financial statements. The notes to financial statements can be found on pages listed in the index of this report.

Required supplementary information. A budgetary comparison schedule has been provided in this section for the General Fund, Parks and Recreation Fund, Parks and Recreation North Fund, and Roads Fund to demonstrate compliance with the budget, as well as a schedule of retirement plan information. The required supplementary information can be found after the notes to financial statements on pages listed in the index of this report.

Other supplementary information. Other supplementary information includes a budgetary comparison schedule for the Community Capital Investment Fund and the Capital Improvements Fund. This section also includes combining statements and budgetary comparison schedules for the Conservation Trust Fund and the NPVMD Fund. A budgetary comparison schedule for the Stormwater Fund and the local highway finance report (required by State statute) are also in this section.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At the close of the most recent fiscal year, the City's assets related to governmental activities exceeded liabilities by \$98,864,988.

NET POSITION

	<u>2024</u>	<u>2023</u>
Current assets	\$ 34,055,083	\$ 28,375,302
Other assets		
Capital assets	<u>75,758,086</u>	<u>70,299,197</u>
Total assets	109,813,169	98,674,499
Deferred outflows of resources	<u>707,927</u>	<u>729,751</u>
Current liabilities	4,803,815	4,293,824
Noncurrent liabilities	<u>312,041</u>	<u>475,026</u>
Total liabilities	5,115,856	4,768,850
Deferred inflows of resources		
Property taxes	6,513,946	6,155,498
Deferred inflows related to pension	1,143	6,060
Deferred inflows related to OPEB	<u>25,163</u>	<u>26,892</u>
Deferred inflows of resources	6,540,252	6,188,450
Net investment in capital assets	75,758,086	70,216,874
Restricted net position	12,901,537	8,196,355
Unrestricted net position	<u>10,205,365</u>	<u>10,033,721</u>
Total net position	<u>\$ 98,864,988</u>	<u>\$ 88,446,950</u>

At the end of 2024, the City's net position totaled \$98.8 million, an increase of \$10.4 million (11.8%) from the prior year. This growth reflects the City's continued investment in infrastructure and public amenities, combined with stable financial operations.

The largest component—\$75.8 million (76.6%)—represents the City's investment in capital assets such as land, infrastructure, and municipal facilities, net of related debt. These assets are not available for future spending but are essential to service delivery.

Approximately \$12.9 million (13.0%) of net position is restricted for specific purposes, including:

- \$744,637 (0.8%) for emergency reserves as required under the TABOR Amendment,
- \$11,261,140 (11.4%) for parks and open space acquisition and improvements,
- \$895,760 (0.9%) for transportation and road-related projects.

These funds are legally restricted for their designated purposes and are not available to support the City's general operations.

The remaining \$10.2 million (10.3%) is unrestricted net position, which may be used at the City's discretion to support ongoing operations, address unforeseen needs, or invest in future priorities.

Changes in Net Position

The City's net position increased by \$10.4 million in 2024, bringing the year-end balance to \$98.8 million, compared to \$88.4 million at the end of 2023. This reflects strong growth across revenue sources and their use in continued investment in public services and infrastructure.

	2024	2023
Revenue		
Program revenues		
Charges for services	\$ 3,391,867	\$ 3,172,836
Operating grants and contributions	434,394	2,374,959
Capital grants and contributions	2,600,000	698,213
General Revenues		
Sales and use taxes	10,953,060	7,798,931
Property and specific ownership taxes	6,683,313	1,311,096
Franchise fees	776,014	692,632
Intergovernmental	1,702,105	1,562,425
Interest income (loss)	890,604	1,034,027
Special item	1,381,405	8,377,188
Miscellaneous	520,063	26,854
Total Revenues	29,332,825	27,049,161
Expenses		
General government	2,452,461	2,345,948
Public safety	1,869,112	1,382,433
Public works	7,640,871	6,144,870
Parks and recreation	4,104,797	2,915,564
Community development	2,529,452	2,459,767
Stormwater	318,094	283,573
Total Expenses	18,914,787	15,532,155
Change in net position	10,418,038	11,517,006
Net position - beginning (as restated)	88,446,950	76,929,944
Net position - ending	<u>\$ 98,864,988</u>	<u>\$ 88,446,950</u>

Total revenues for the year were \$29.3 million, an increase of \$2.2 million (8.4%) from 2023. The most significant revenue changes included:

- Sales and use tax revenues increased by \$3.2 million (40.4%) in 2024, primarily due to the implementation of a new 1% sales and use tax dedicated to maintaining and improving

road infrastructure, which became effective at the beginning of the year. The increase also reflects continued development and sustained consumer spending within the City.

- Property and specific ownership taxes grew by \$5.4 million, driven by the full-year impact of the voter-approved 12 mills property tax dedicated to parks, recreation, and open space, as well as increased property assessed valuations.
- Capital grants and contributions rose by \$1.9 million, largely tied to one-time project funding for transportation and capital improvements.
- Operating grants and contributions decreased from \$2.4 million to \$434,394, as 2023 included one-time grant receipts not repeated in 2024.
- Special item revenue declined from \$8.4 million in 2023 to \$1.4 million in 2024, due to the absence of a large nonrecurring asset transfer that occurred in the prior year.

Total expenses for 2024 were \$18.9 million, an increase of \$3.4 million (21.8%) compared to the prior year. Notable changes include:

- Public works increased by \$1.5 million, reflecting expanded expenditures on road improvements and maintenance.
- Parks and recreation expenses rose by \$1.2 million due to the City's increased parks, trails, open space maintenance, operations, and improvements, which started with the City assuming these responsibilities from the area metro districts in 2023.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The following discussion narrows the focus from City-wide activities to the City's governmental funds. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's financial reporting uses eight (8) funds: the General Fund, Parks and Recreation Fund, Parks and Recreation North Fund, Roads Fund, North Pine Vistas Metro Districts Nos. 1-3 O&M Fund (NPVMD Fund), Conservation Trust Fund, Community Capital Investment Fund, and Capital Improvements Fund.

General Fund

- Revenues totaled \$13.8 million, with expenditures of \$7.3 million and transfers out of \$6.2 million to capital funds.
- The fund ended with a positive change in fund balance of \$302,000, for a year-end total of \$1.51 million.

Parks and Recreation Fund

- The fund increased by \$4.28 million, ending the year with a balance of \$4.41 million.
- In its first year, the new parks, recreation, and open space property tax of 12 mills generated \$4.86 million in its first year.

Parks and Recreation North Fund

- The fund decreased by \$726,000, finishing the year with \$5.88 million.

- The decrease was due to \$2.26 million in park maintenance within the Castle Pines North Metro District, including Coyote Ridge Park.
- The City received the final transfer of the Castle Pines North Metro District's remaining parks and recreation funds from the metro district of \$1.38 million (shown as "special item" on the financial statements).

Roads Fund

- In its first year, the new 1% sales and use tax generated \$2.91 million.
- In addition to road and road-related operations and maintenance, \$1.8 million was transferred to the Capital Improvements Fund for road capital improvement projects.
- The fund ended with a positive change in fund balance of \$897,000.

Capital Improvements Fund

- The fund received \$2.6 million in capital contributions and transferred in \$8.0 million.
- It ended the year with a fund balance of \$5.2 million, despite spending \$10.1 million on infrastructure projects.

FUND BUDGETARY HIGHLIGHTS

Below is a concise review of how each major operating fund performed relative to its final-adopted 2024 budget.

General Fund

- Revenues of \$986,947 finished \$594,685 lower than the budgeted amount primarily because of construction materials use tax revenue. Revenues other than taxes exceeded their forecast amount by \$521,468.
- Expenditures were held \$167,144 under budget.
- After \$6.20 million of planned transfers to capital, the fund still added \$302,084 to reserves ending \$1.15 million better than the budgeted drawdown of \$844,400, closing at \$1.51 million.

Parks & Recreation Fund

- Revenues exceeded budget by \$444,608 due to higher than forecast property tax and investment income.
- Total expenditures came in \$824,103 below budget.
- Fund balance grew by \$4.28 million (vs. a budgeted \$3.02 million increase), ending at \$4.41 million.

Parks and Recreation North Fund

- Investment earnings beat budget by \$69,629.
- Park maintenance costs ran \$153,453 over the planned amount, but capital outlay underspent by \$412,120.

Roads Fund

- First-year 1% sales, motor-vehicle and construction-use taxes produced \$4.55 million, about \$868,259 lower than the budget. This is primarily because of construction materials use tax coming in lower than budget expectations.
- Expenditures underspent the \$3.05 million budget by \$726,357.
- After a planned \$1.81 million transfer to the Capital Improvements Fund, the Roads Fund posted a \$897,385 year-end balance.

Capital Improvements Fund

- Revenue ended \$716,064 lower than budgeted as some grant-reimbursable (\$2,421,905) work shifted to 2025; however, this shortfall was offset by \$1.6 million in contributed revenue than came in higher than the budgeted amount.
- Capital project outlays were \$8.06 million under budget because several unfinished large capital projects will continue in 2025.

Stormwater Enterprise Fund

- Service-charge revenues out-performed by \$91,749, while operating expenses were \$540,306 under budget.

CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

- The City added \$10.1 million in new capital assets during 2024, consisting primarily of road improvements.
- Depreciation expense for the year was \$4.3 million.
- Long-term obligations—primarily related to pensions and other post-employment benefits—declined to \$312,000.
- The City remains free of debt, ensuring strong credit capacity and financial flexibility.

ECONOMIC OUTLOOK

Castle Pines continues to experience steady economic growth supported by residential and commercial development. However, several revenue sources, particularly construction use tax, are sensitive to broader economic conditions. The 2025 budget was developed with conservative revenue assumptions and includes continued investment in capital infrastructure, public safety, and parks, while maintaining healthy reserve levels well above policy requirements.

REQUESTS FOR INFORMATION

This financial report is intended to provide residents, taxpayers, investors, and stakeholders with a clear summary of the City's financial condition. Questions or requests for additional information may be directed to:

City of Castle Pines

Email: finance@castlepinesco.gov

Phone: (303) 705-0210

Basic Financial Statements

City of Castle Pines, Colorado
Statement of Net Position
December 31, 2024

	Primary Government		
	Governmental	Business-Type	Total
	Activities	Activities	
Assets			
Cash and investments	\$ 23,396,137	\$ 1,688,401	\$ 25,084,538
Accounts receivable	2,210,724	194,014	2,404,738
Property taxes receivable	6,513,946	-	6,513,946
Prepaid expenses	44,613	2,325	46,938
Other assets	4,923	-	4,923
Capital assets, not being depreciated	2,876,030	-	2,876,030
Capital assets, net of accumulated depreciation	72,882,056	-	72,882,056
Total assets	<u>107,928,429</u>	<u>1,884,740</u>	<u>109,813,169</u>
Deferred Outflows of Resources			
Deferred outflows related to pension	596,697	60,732	657,429
Deferred outflows related to OPEB	45,833	4,665	50,498
Total deferred outflows of resources	<u>642,530</u>	<u>65,397</u>	<u>707,927</u>
Total assets and deferred outflows of resources	<u>\$ 108,570,959</u>	<u>\$ 1,950,137</u>	<u>\$ 110,521,096</u>
Liabilities			
Accounts payable	\$ 2,321,614	\$ 3,937	\$ 2,325,551
Accrued liabilities	1,035,599	-	1,035,599
Deposits held	77,455	70,402	147,857
Net pension liability	1,009,521	102,749	1,112,270
Net OPEB liability	73,439	7,475	80,914
Due in one year	101,624	-	101,624
Due in more than one year	312,041	-	312,041
Total liabilities	<u>4,931,293</u>	<u>184,563</u>	<u>5,115,856</u>
Deferred Inflows of Resources			
Property tax revenue	6,513,946	-	6,513,946
Deferred inflows related to pension	1,037	106	1,143
Deferred inflows related to OPEB	22,839	2,324	25,163
Total deferred inflows of resources	<u>6,537,822</u>	<u>2,430</u>	<u>6,540,252</u>
Net Position			
Investment in capital assets	75,758,086	-	75,758,086
Restricted for:			
Emergencies	735,094	9,543	744,637
Parks and open spaces	11,261,140	-	11,261,140
Roads	895,760		895,760
Unrestricted	8,451,764	1,753,601	10,205,365
Total net position	<u>97,101,844</u>	<u>1,763,144</u>	<u>98,864,988</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 108,570,959</u>	<u>\$ 1,950,137</u>	<u>\$ 110,521,096</u>

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

City of Castle Pines, Colorado
Statement of Activities
For the Year Ended December 31, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Governmental Total
Primary Government:							
Governmental Activities:							
General government	\$ 2,452,461	\$ 174,177	\$ -	\$ -	\$ (2,278,284)	\$ -	\$ (2,278,284)
Public safety	1,869,112	-	-	-	(1,869,112)	-	(1,869,112)
Public works	7,640,871	316,925	252,747	2,600,000	(4,471,199)	-	(4,471,199)
Parks and recreation	4,104,797	93,026	181,647	-	(3,830,124)	-	(3,830,124)
Community development	2,529,452	2,140,894	-	-	(388,558)	-	(388,558)
Total Governmental Activities	18,596,693	2,725,022	434,394	2,600,000	(12,837,277)	-	(12,837,277)
Business-Type Activities:							
Stormwater	318,094	666,845	-	-	-	348,751	348,751
Total Business-Type Activities	318,094	666,845	-	-	-	348,751	348,751
Total Primary Government	\$ 18,914,787	\$ 3,391,867	\$ 434,394	\$ 2,600,000	\$ (12,837,277)	\$ 348,751	\$ (12,488,526)
General Revenues:							
					\$ 6,222,245	\$ -	\$ 6,222,245
					461,068	-	461,068
					6,409,934	-	6,409,934
					4,543,126	-	4,543,126
					1,702,105	-	1,702,105
					776,014	-	776,014
					834,377	56,227	890,604
					1,381,405	-	1,381,405
					487,968	32,095	520,063
					22,818,242	88,322	22,906,564
					9,980,965	437,073	10,418,038
					87,120,879	1,326,071	88,446,950
					\$ 97,101,844	\$ 1,763,144	\$ 98,864,988

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

City of Castle Pines, Colorado
Balance Sheet
Governmental Funds
December 31, 2024

	Special Revenue				Capital Project			
	General	Parks and Recreation	Parks and Recreation North	Roads	Community Capital Investment	Capital Improvements	Other Governmental Funds	Total
Assets								
Cash and investments	\$ 1,733,358	\$ 4,406,264	\$ 5,970,860	\$ 733,413	\$ 3,352,427	\$ 6,173,271	\$ 1,026,544	\$ 23,396,137
Prepaid expenses	42,988	-	-	1,625	-	-	-	44,613
Other assets	4,923	-	-	-	-	-	-	4,923
Accounts receivable	916,004	30,057	-	398,383	-	847,800	18,480	2,210,724
Property tax receivable	1,776,531	4,737,415	-	-	-	-	-	6,513,946
Total assets	\$ 4,473,804	\$ 9,173,736	\$ 5,970,860	\$ 1,133,421	\$ 3,352,427	\$ 7,021,071	\$ 1,045,024	\$ 32,170,343
Liabilities, Deferred Inflows of Resources and Fund Balances								
Liabilities								
Accounts payable	\$ 470,754	\$ 27,930	\$ 95,711	\$ 225,681	\$ -	\$ 1,434,114	\$ 67,424	\$ 2,321,614
Accrued liabilities	635,081	-	-	10,355	-	390,163	-	1,035,599
Deposits held	77,455	-	-	-	-	-	-	77,455
Total Liabilities	1,183,290	27,930	95,711	236,036	-	1,824,277	67,424	3,434,668
Deferred Inflows of Resources								
Property taxes	1,776,531	4,737,415	-	-	-	-	-	6,513,946
Total deferred inflows of resources	1,776,531	4,737,415	-	-	-	-	-	6,513,946
Fund Balances								
Nonspendable:								
Prepaid expenses	42,988	-	-	1,625	-	-	-	44,613
Restricted:								
Emergency reserve	735,094	-	-	-	-	-	-	735,094
Parks and open spaces	-	4,408,391	5,875,149	-	-	-	977,600	11,261,140
Roads	-	-	-	895,760	-	-	-	895,760
Assigned	-	-	-	-	3,352,427	5,196,794	-	8,549,221
Unassigned	735,900	-	-	-	-	-	-	735,900
Total Fund Balances	1,513,983	4,408,391	5,875,149	897,385	3,352,427	5,196,794	977,600	22,221,729
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,473,804	\$ 9,173,736	\$ 5,970,860	\$ 1,133,421	\$ 3,352,427	\$ 7,021,071	\$ 1,045,024	\$ 32,170,343

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

City of Castle Pines, Colorado
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
December 31, 2024

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

Total fund balance - governmental fund	\$ 22,221,729
--	---------------

Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.	75,758,086
--	------------

Deferred outflows are not current assets or financial resources; and deferred inflows are not due and payable in the current period and therefore are not reported in governmental funds.

Deferred outflows related to pension	596,697
Deferred outflows related to OPEB	45,833
Deferred inflows related to pension	(1,037)
Deferred inflows related to OPEB	(22,839)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds balance sheet. Long-term liabilities at year end consist of:

Lease liability, including accrued interest	(328,906)
Net pension liability	(1,009,521)
Net OPEB liability	(73,439)
Accrued compensated absences	(84,759)

Total net position - governmental activities	<u>\$ 97,101,844</u>
--	----------------------

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

City of Castle Pines, Colorado

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

For the Year Ended December 31, 2024

		Special Revenue			Capital Project			
	General	Parks and Recreation	Parks and Recreation North	Roads	Community Capital Investment	Capital Improvement	Other Governmental Funds	Total Governmental Funds
Revenues:								
Taxes	\$ 9,865,947	\$ 4,860,598	\$ -	\$ 2,909,828	\$ -	\$ -	\$ -	\$ 17,636,373
Franchise fees	776,014	-	-	-	-	-	-	776,014
Licenses and permits	53,207	-	-	124,018	-	-	-	177,225
Charges for services	2,291,473	63,418	-	192,907	-	-	-	2,547,798
Fines and forfeitures	239,715	-	-	-	-	-	-	239,715
Intergovernmental	122,544	-	-	1,635,213	-	197,095	154,071	2,108,923
Investment income	417,863	110,392	211,129	45,875	-	-	49,118	834,377
Other	17,352	-	-	125,000	59	2,705,841	27,576	2,875,828
Total Revenues	<u>13,784,115</u>	<u>5,034,408</u>	<u>211,129</u>	<u>5,032,841</u>	<u>59</u>	<u>2,902,936</u>	<u>230,765</u>	<u>27,196,253</u>
Expenditures:								
General government	2,467,875	-	-	-	-	-	-	2,467,875
Public safety	1,869,112	-	-	-	-	-	-	1,869,112
Public works	69,565	-	-	2,119,037	-	1,486,178	-	3,674,780
Parks and open spaces	550,844	749,597	2,262,653	-	-	-	237,406	3,800,500
Community and economic development	2,338,548	-	-	202,506	-	-	-	2,541,054
Capital Outlay	-	-	55,480	-	-	10,094,340	-	10,149,820
Total Expenditures	<u>7,295,944</u>	<u>749,597</u>	<u>2,318,133</u>	<u>2,321,543</u>	<u>-</u>	<u>11,580,518</u>	<u>237,406</u>	<u>24,503,141</u>
Other financing sources:								
Proceeds from sale of assets	-	-	-	-	310,368	-	-	310,368
Total Other financing sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>310,368</u>	<u>-</u>	<u>-</u>	<u>310,368</u>
Transfers in (out):								
General Fund	-	-	-	(13,913)	-	6,200,000	-	6,186,087
Capital Improvements Fund	(6,200,000)	-	-	(1,800,000)	-	-	-	(8,000,000)
Roads Fund	13,913	-	-	-	-	1,800,000	-	1,813,913
Total Transfers	<u>(6,186,087)</u>	<u>-</u>	<u>-</u>	<u>(1,813,913)</u>	<u>-</u>	<u>8,000,000</u>	<u>-</u>	<u>-</u>
Special item	<u>-</u>	<u>-</u>	<u>1,381,405</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,381,405</u>
Net change in fund balances	302,084	4,284,811	(725,599)	897,385	310,427	(677,582)	(6,641)	4,384,885
Fund balances:								
Beginning of the year	1,211,899	123,580	6,600,748	-	3,042,000	5,874,376	984,241	17,836,844
End of the year	<u>\$ 1,513,983</u>	<u>\$ 4,408,391</u>	<u>\$ 5,875,149</u>	<u>\$ 897,385</u>	<u>\$ 3,352,427</u>	<u>\$ 5,196,794</u>	<u>\$ 977,600</u>	<u>\$ 22,221,729</u>

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

City of Castle Pines, Colorado

Reconciliation of the Changes in Fund Balances of the Governmental Funds to the Statement of Activities For the Year Ended December 31, 2024

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

Net changes in fund balances of governmental funds	\$ 4,384,885
--	--------------

Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities. Additionally, when capital assets are sold or disposed of, the proceeds from the sale are reported in the governmental funds as other financing sources. In contrast, only the gain or loss on the sale is reported in the statement of activities, and the net book value of the asset is removed from capital assets. In cases where the proceeds equal the asset's net book value, no gain or loss is recognized.

Capital outlay	10,149,820
Depreciation expense	(4,291,675)
Sale of capital assets	(310,368)

The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but does not have an effect on net position in the Statement of Activities. Interest expense is recognized as an expenditure in the governmental funds when it is due, while interest expense is recognized when incurred in the statement of activities. The net effect of these differences in the treatment of long-term liabilities and related expenditures is as follows:

Principal repayment of long-term debt	97,027
---------------------------------------	--------

Changes in the City's net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the City's pension and OPEB plans for the current year do not (require)/provide the (use)/benefit of current financial resources, and therefore, are not reported as (expenditures)/income in the governmental fund financial statements

75,829

Some revenues and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as revenue or expenditures in the governmental funds.

Amortization of right-to-use asset	(88,887)
Increase in compensated absences	(35,666)

Change in Net Position of Governmental Activities	\$ <u>9,980,965</u>
---	---------------------

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

City of Castle Pines, Colorado

Statement of Net Position

Proprietary Fund

December 31, 2024

	Stormwater Fund
Assets	
Current Assets	
Cash and investments	\$ 1,688,401
Prepaid expenses	2,325
Accounts receivable	194,014
Total Current Assets	<u>1,884,740</u>
 Total Assets	 <u>1,884,740</u>
 Deferred Outflows of Resources	
Pension related deferred outflow	60,732
OPEB related deferred outflow	4,665
Total Deferred Outflows of Resources	<u>65,397</u>
 Total Assets and Deferred Outflows of Resources	 <u>1,950,137</u>
 Current Liabilities	
Accounts payable	3,937
Deposits held	70,402
Total Current Liabilities	<u>74,339</u>
 Non-Current Liabilities	
Net pension liability	102,749
Net OPEB liability	7,475
Total Non-Current Liabilities	<u>110,224</u>
Total Liabilities	<u>184,563</u>
 Deferred Inflows of Resources	
Pension related deferred inflow	106
OPEB related deferred inflow	2,324
Total Deferred Inflows of Resources	<u>2,430</u>
 Net Position	
Restricted for:	
Emergencies	9,543
Unrestricted	1,753,601
Total Net Position	<u>1,763,144</u>
Total Liabilities, Deferred Inflows of Resources, and Net Position	<u><u>\$ 1,950,137</u></u>

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

City of Castle Pines, Colorado

Statement of Revenues, Expenses, and Change in Net Position

Proprietary Fund

For the Year Ended December 31, 2024

	Stormwater Fund
Operating revenues	
Charges for services	\$ 666,845
Total Operating revenues	<u>666,845</u>
Operating expenses	
Administrative & Operating expenses	<u>318,094</u>
Total Operating expenses	<u>318,094</u>
Operating income	<u>348,751</u>
Non-operating revenues	
Investment earnings	56,227
Other revenue	<u>32,095</u>
Total Non-operating revenues	<u>88,322</u>
Income before transfers	437,073
Change in Net Position	437,073
Net Position, beginning of year (as restated)	<u>1,326,071</u>
Net Position, end of year	<u><u>\$ 1,763,144</u></u>

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

City of Castle Pines, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2024

	Stormwater Fund
Cash Flows from Operating Activities	
Receipts from customers	\$ 511,134
Payments to suppliers for goods and services	(64,572)
Payments to and on behalf of employees	<u>(160,963)</u>
Net Cash from Operating Activities	<u>285,599</u>
Cash Flows from Non-Capital Financing Activities	
Transfer of operations	24,377
Transfer to other funds	<u>(47,257)</u>
Net Cash from Non-Capital Financing Activities	<u>(22,880)</u>
Cash Flows from Investing Activities	
Interest received	<u>56,227</u>
Net Cash from Investing Activities	<u>56,227</u>
Net Change in Cash and Cash Equivalents	318,946
Cash and investments	
Beginning of Year	<u>1,369,455</u>
End of Year	<u><u>\$ 1,688,401</u></u>
Reconciliation of Operating Income to Net Cash from Operating Activities	
Operating income	\$ 348,751
Adjustments to reconcile operating income to net cash flows from operating activities	
(Increase) decrease in operating assets:	
Accounts receivable	(159,340)
Deferred outflows of resources - Pension and OPEB	(65,397)
Interest receivable	3,628
Prepaid expenses	(2,325)
Increase (decrease) in operating liabilities:	
Accounts payable and other liabilities used for operations	47,628
Deferred inflows of resources - Pension and OPEB	2,430
Net pension and OPEB balances	<u>110,224</u>
Net Cash from Operating Activities	<u><u>\$ 285,599</u></u>

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

City of Castle Pines, Colorado

Notes to Financial Statements

December 31, 2024

1. Summary of Significant Accounting Policies

The City of Castle Pines (the “City”) was incorporated on February 12, 2008, as a statutory municipality as defined in State statutes. On May 14, 2019, residents voted in support of changing the City’s government structure to Home Rule and the City became the 102nd home rule municipality in Colorado. The City is governed by a Mayor and six-member council elected by the residents.

The financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applicable to governmental entities. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City’s accounting policies are described below.

Reporting Entity

The financial reporting entity consists of the City, organizations for which the City is financially accountable, and organizations that raise and hold economic resources for the direct benefit of the City. All funds, organizations, institutions, agencies, departments and offices that are not legally separate are part of the City. Legally separate organizations for which the City is financially accountable are considered part of the reporting entity. Financial accountability exists if the City appoints a voting majority of the organization’s governing board and is able to impose its will on the organization, or if the organization provides benefits to, or imposes financial burdens, on the City.

Based on the application of this criteria, the City does not include additional organizations within its reporting entity.

Government-wide and Fund Financial Statements

The government-wide financial statements consist of the statement of net position and the statement of activities. These statements report information on all activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separate from business-type activities, which rely to a significant extent on fees and charges for services.

The statement of activities demonstrates the degree to which the direct expenses of the given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

meeting the operational or capital requirements of a particular function or segment. Taxes and other revenues not properly included among program revenues are reported as general revenues. Internally dedicated resources are reported as general revenues rather than as program revenues.

Fund financial statements are used to report additional and more detailed information about the primary government. Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported in separate columns in the fund financial statements. The nonmajor funds are combined in a column in the fund financial statements and are detailed in the combining section of the report.

Measurement focus, basis of accounting, and financial statement presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

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

General Fund - The City's primary operating fund. It is currently used to account for the general financial activities of the City.

Parks and Recreation Fund – A special revenue fund that accounts for the expenditures devoted to the maintenance and general upkeep of parks and recreational amenities. Parks, recreation, and trail improvements are also accounted for in this fund, supported by park user fees and General Fund revenues.

Parks and Recreation North Fund – A special revenue fund that accounts for the expenditures devoted to the maintenance and general upkeep of parks, open space, and recreational amenities in accordance with an intergovernmental agreement with Castle Pines North Metropolitan District.

Roads Fund – A special revenue fund that accounts for all revenues dedicated or restricted to road purposes including the 1% road sales and use tax.

Grants and Restricted Revenue Fund – A special revenue fund that accounts for the expenditures related to the development of safety action plans, roadway analysis, community engagement, and strategic planning, funded by federal grants under the Safe Streets and Roads for All (SS4A) Program.

Community Capital Investment Fund – A capital projects fund that accounts for funds reserved for future capital asset purposes. Typically, the source of revenue comes via a transfer from the General Fund of funds more than the 25% reserve policy requirement at the City Council's discretion or one-time revenues assigned for specific future capital projects.

Capital Improvement Fund – A capital projects fund that accounts for capital improvements or acquisitions. The primary source of revenue comes from the General Fund.

The City reports one major proprietary fund:

Stormwater Utility Fund – accounts for expenditures for the administration, operation, maintenance, and improvements to the City's stormwater system and the revenues collected for that purpose.

Additionally, the City reports the following non-major funds:

Conservation Trust Fund – A special revenue fund that accounts for all government revenue and expenditures associated with state lottery disbursements and may only be used for parks and recreation maintenance or capital purposes.

North Pine Vistas Metro District Nos. 1-3 O&M Fund – A special revenue fund that accounts for funds received from the North Pine Vistas Metro District to own, operate, and maintain specific public improvements within the District.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

In the government-wide statement of activities, amounts reported as program revenues include charges to customers or applicants for goods, services, or privileges provided and operating and capital grants and contributions. General revenues include all taxes, interest earnings and gain on sale of capital assets. Special items and interfund transfers are reported separately from revenues and expenses.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connections with a proprietary fund's principal ongoing operations. Principal operating revenues of the Stormwater Utility fund are charges to customers for services. Operating expenses for enterprise funds include personnel costs, contractual services, and other supplies and expense. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

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

Budgets

In accordance with the State Budget Law, the City Council holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year end. The City Council can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting, unless otherwise indicated.

On or before September 30, the City staff submits to the Council a proposed budget for the next fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. A public hearing is conducted by the City Council to obtain taxpayer comments. State law requires that the City adopt a budget prior to the certification of its mill levy to the county and file a certified copy of its budget with the Division of Local Government within 30 days of such adoption. Failure to do so can result in the County Treasurer withholding future property tax revenues pending compliance by the City. The City filed the certified copy of its budget timely for 2024.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities and Net Position/Fund Balance

Cash and Investments

Investments are reported at fair value.

Receivables

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

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future years and are reported as prepaid expenses. Because these assets do not represent current financial resources, these amounts are shown as nonspendable fund balance in governmental funds.

Capital Assets

Capital assets, which include equipment, land, park improvements, and all infrastructure assets owned by the City, are reported in the government-wide financial statements. Infrastructure assets include streets, curbs and sidewalks, and drainage and traffic systems. Land and infrastructure assets were donated to the City by Douglas County upon the City's incorporation. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

Infrastructure	15 to 30 years
Park Improvements	20 years
Buildings and Improvements	20 to 30 years
Equipment	3 to 10 years
Vehicles	3 to 5 years

Deferred Inflows of Resources

Deferred inflows of resources include property taxes earned but levied for a subsequent year and license fees received but not yet earned. It also includes pension contributions received but applicable to a subsequent year.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Leases

The City is a lessee for noncancellable leases of equipment and office spaces. The City recognizes a lease liability, reported with long-term debt, and a right-to-use lease asset (lease asset), reported with other capital assets, in the government-wide statements.

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease 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. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

Key estimates and judgments 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 the incremental borrowing rate.
- 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, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

Compensated Absences

Full-time employees are allowed to accumulate from 10 to 25 days of unused vacation time, dependent upon years of service, which must be used within the first three months of the subsequent year. Upon separation of employment, employees will be compensated for any unused vacation time. These compensated absences are recognized as current salary costs when paid in the governmental fund.

Effective January 1, 2025, the City implemented a beta test of an Unlimited Paid Time Off (PTO) Policy. Under this policy, employees do not accrue leave balances and are not entitled to a payout of unused PTO at separation. Accordingly, no liability is recorded for leave earned under the Unlimited PTO policy. Banked vacation balances accrued under the prior policy remain payable and are recorded as a liability at the rate in effect as of December 31, 2024.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

Net Position/Fund Balance

In the government-wide and fund financial statements, net position and fund balance are restricted when constraints placed on the use of resources are externally imposed. The City has not established a formal policy for its use of restricted and unrestricted fund balance. However, when an expenditure is incurred for purposes for which both restricted and unrestricted fund balances are available, the City considers restricted fund balances to have been spent first.

Fund Equity

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

Because circumstances differ among governments, not every government or every governmental fund will present all these components. The following classifications describe the relative strength of the spending constraints:

- *Nonspendable fund balance*- The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.
- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.
- *Committed fund balance*- The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council. The constraint may be removed or changed only through formal action of the City Council.
- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the City Council to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.
- *Unassigned fund balance*- The residual portion of fund balance that does not meet any of the criteria described above.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the City's policy to use the most restrictive classification first.

Property Taxes

Property taxes attach as an enforceable lien on property on January 1, are levied the following December, and are collected in the subsequent year. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County Treasurer's Office collects property taxes and remits to the City on a monthly basis.

Pensions

The City participates in the Local Government Division Trust Fund (LGDTF), a cost-sharing multiple-employer defined benefit pension plan administered by the Public Employees' Retirement Association of Colorado (PERA). The net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position (FNP) and additions to/deductions from the FNP of the LGDTF have been determined using the economic resources measurement focus and the accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment benefits other than pensions (OPEB)

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

Investments

Investments are reported at fair value.

Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City maintains commercial insurance for these risks of loss.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

1. Summary of Significant Accounting Policies (continued)

New Accounting Pronouncements

During fiscal year 2024, the City implemented GASB Statement No. 100, Accounting Changes and Error Corrections, which enhances accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability.

In 2024, the City implemented GASB Statement No. 101, Compensated Absences. Under the City's leave policy in effect as of December 31, 2024, employees accrued vacation and sick leave. Accrued vacation leave is payable upon separation of employment, but only to the extent of the balance earned as of December 31, 2024, and at the employee's pay rate as of that date. Accrued sick leave is not payable upon separation. In accordance with GASB 101, a liability has been recorded for vacation leave balances that were both earned and expected to be used or paid as of year-end.

2. Cash and Investments

Cash Deposits

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is specified by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all 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 Commissions for banks and savings and loan associations are 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 is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy of limiting custodial credit risks by assuring that deposits are only made in eligible public depositories. As of December 31, 2024, none of the City's deposits are deemed to be exposed to custodial credit risk.

A summary of cash and investments as of December 31, 2024, follows:

Cash deposits	\$ 1,694,311
Investments	<u>23,390,227</u>
Total cash and investments	<u><u>\$ 25,084,538</u></u>

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

2. Cash and Investments (continued)

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

Governmental activities	\$ 23,396,137
Business-type activities	<u>1,688,401</u>
Total cash and investments	<u>\$ 25,084,538</u>

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

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

At December 31, 2024, the City had the following investments reported as cash and investments:

"Remainder of this page left intentionally blank"

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

2. Cash and Investments (continued)

Investment	Rating	Investment Maturities (in Years)			Concentration of Credit Risk
		Less than 1	1 to Less than 5	Total	
Money Market Funds	N/A	\$ 23,124	\$ -	\$ 23,124	0.10%
U.S. Treasury Securities	AAA	483,885	3,189,423	3,673,308	15.70%
U.S. Government Bonds	AA+	2,481,690	9,843,916	12,325,606	52.70%
CSAFE - Investments	AAAm	634,968	6,733,222	7,368,190	31.50%
		<u>\$ 3,623,667</u>	<u>\$ 19,766,560</u>	<u>\$ 23,390,227</u>	100.00%

Fair Value Measurement and Application

The City categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City's investment balances at fair value hierarchy are as follows:

Investments	Level 1	Level 2	Level 3	Total
Money Market Funds	\$ 23,124	\$ -	\$ -	\$ 23,124
U.S. Treasury Securities	-	3,673,308	-	3,673,308
U.S. Government Bonds	-	12,325,606	-	12,325,606
Investments measured at net asset value - CSAFE	-	-	-	7,368,190
Total	<u>\$ 23,124</u>	<u>\$ 15,998,913</u>	<u>\$ -</u>	<u>\$ 23,390,227</u>

CSAFE

The City invested in the Colorado Surplus Asset Fund Trust (CSAFE), which is an investment vehicle established by state statute for local government entities to pool surplus assets. The State Securities Commissioner administers and enforces all state statutes governing the Trust. The Trust is similar to a money market fund, with each share valued at \$1.00. CSAFE may invest in U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain money market funds, and highest rated commercial paper. A designated custodial bank serves as custodian for CSAFE's portfolio pursuant to a custodian agreement. The custodian acts as safekeeping agent for CSAFE's investment portfolio and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by CSAFE. CSAFE is rated AAAm by Standard & Poor's, CSAFE records its investments at amortized cost and the City records its investments in CSAFE using at net asset value as determined by amortized cost. There are no unfunded commitments, the redemption frequency is daily, and there is no redemption notice period.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

3. Capital Assets

Governmental capital assets activity for the year ended December 31, 2024, was as follows:

	Balance at December 31, 2023	Additions	Retirements/ Transfers	Balance at December 31, 2024
Capital assets, not being depreciated				
Land	\$ 2,347,795	\$ -	\$ (310,368)	\$ 2,037,427
Construction in progress	1,251,557	85,209	(498,163)	838,603
Total capital assets, not being depreciated	<u>3,599,352</u>	<u>85,209</u>	<u>(808,531)</u>	<u>2,876,030</u>
Capital assets, being depreciated				
Infrastructure	101,713,476	10,081,461	-	111,794,937
Buildings and improvements	8,794,868	195,098	-	8,989,966
Vehicles and equipment	1,426,367	286,214	-	1,712,581
Right-to-use assets	537,407	-	-	537,407
Total capital assets, being depreciated	<u>112,472,118</u>	<u>10,562,773</u>	<u>-</u>	<u>123,034,891</u>
Less accumulated depreciation/amortization for:				
Infrastructure	(41,637,585)	(3,785,131)	-	(45,422,716)
Buildings and improvements	(2,786,081)	(438,423)	-	(3,224,504)
Vehicles and equipment	(1,184,173)	(68,120)	-	(1,252,293)
Right-to-use assets	(164,434)	(88,887)	-	(253,321)
Accumulated depreciation/amortization	<u>(45,772,273)</u>	<u>(4,380,562)</u>	<u>-</u>	<u>(50,152,835)</u>
Total capital assets, being depreciated/amortized, net	<u>66,699,845</u>	<u>6,182,212</u>	<u>-</u>	<u>72,882,056</u>
Total capital assets, net	<u>\$ 70,299,197</u>	<u>\$ 6,267,421</u>	<u>\$ (808,531)</u>	<u>\$ 75,758,086</u>

Depreciation/Amortization expense for the year ended December 31, 2024, was charged to the following programs of the City:

General Government	\$ 97,814
Public Works	3,966,091
Parks and Recreation	316,657
Total	<u>\$ 4,380,562</u>

City of Castle Pines, Colorado

Notes to Financial Statements (continued)

December 31, 2024

4. Long-term Liabilities

The following is an analysis of the City's change in long-term obligations:

	Balance at December 31,			Balance at December 31,	Amounts Due Within One Year
	2023	Additions	Reductions	2024	
Right-to-use lease liabilities	\$ 425,933	\$ -	\$ (97,027)	\$ 328,906	\$ 101,624
Compensated absences	49,093	35,666	-	84,759	-
Total Long-Term Debt	<u>\$ 475,026</u>	<u>\$ 35,666</u>	<u>\$ (97,027)</u>	<u>\$ 413,665</u>	<u>\$ 101,624</u>

Right-to-use lease liability

The City has entered into a lease agreement allowing the right-to-use property over the term of the lease. The City is required to make monthly payments at its incremental borrowing rate, or the interest rate stated or implied within the lease.

The lease rate, term and ending lease liability are as follows:

	Interest rate	Commencement	Term in Years	Balance
Leased real estate	1.55%	\$ 509,232	6.1	\$ 328,906

The value of the right-to-use asset, as of December 31, 2024, was \$537,407, with an accumulated amortization of \$253,321.

The future minimum lease payments under non-cancelable leases as of December 31, 2024 are as follows:

	2025	\$ 105,872
	2026	109,049
	2027	112,316
	2028	9,497
Less: imputed interest		<u>(7,829)</u>
Total future minimum lease payments		\$ 328,906
Lease commitments - current portion	\$ 101,624	
Lease commitments - long-term portion	<u>227,282</u>	
Total	\$ 328,906	

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

5. Retirement Commitments

Defined Benefit Pension Plan

Plan Description

Eligible employees of The City are provided with pensions through the LGDTF—a cost-sharing multiple-employer defined benefit pension plan administered by PERA. Plan benefits are specified in Title 24, Article 51 of the Colorado Revised Statutes (C.R.S.), administrative rules set forth at 8 C.C.R. 1502-1, and applicable provisions of the federal Internal Revenue Code. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at <https://www.copera.org/forms-resources/financial-reports-and-studies>.

Benefits provided as of December 31, 2023

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

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

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

The service retirement benefit is limited to 100% of highest average salary and cannot exceed the maximum benefit allowed by federal Internal Revenue Code.

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

Upon meeting certain criteria, benefit recipients who elect to receive a lifetime retirement benefit generally receive post-retirement cost-of-living adjustments, referred to as annual increases in the C.R.S. Subject to the automatic adjustment provision (AAP) under C.R.S. § 24-51-413, eligible benefit recipients under the PERA benefit structure who began membership before January 1, 2007. Eligible benefit recipients under the PERA benefit structure who began membership on or after January 1, 2007, will receive the lesser of an annual increase of the 1.00% AI cap or the average increase of the Consumer Price Index for Urban Wage Earners and Clerical Workers for the prior calendar year, not to exceed a determined increase that would exhaust 10% of PERA's Annual Increase Reserve (AIR) for the LGDTF. The AAP may raise or lower the aforementioned AI cap by up to 0.25% based on the parameters specified in C.R.S. § 24-51-413.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

5. Retirement Commitments (continued)

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

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

Contributions provisions as of December 31, 2024

Eligible employees of The City and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2023, through December 31, 2024, are summarized in the table below:

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employee contribution (all employees)	9.00%	9.00%

*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

The employer contribution requirements for all employees are summarized in the table below:

	January 1, 2023 Through December 31, 2023	January 1, 2024 Through December 31, 2024
Employer contribution rate	11.00%	11.00%
Amount of employer contribution apportioned to the Health Care Trust Fund as specified in C.R.S. § 24-51-208(1)(f)	(1.02%)	(1.02%)
Amount apportioned to the LGDTF	9.98%	9.98%
Amortization Equalization Disbursement (AED) as specified in C.R.S. § 24-51-411	2.20%	2.20%
Supplemental Amortization Equalization Disbursement (SAED) as specified in C.R.S. § 24-51-411	1.50%	1.50%
Defined Contribution Supplement as specified in C.R.S. § 24-51-415	0.06%	0.08%
Total employer contribution rate to the LGDTF	13.74%	13.76%

*Contribution rates for the LGDTF are expressed as a percentage of salary as defined in C.R.S. § 24-51-101(42).

City of Castle Pines, Colorado

Notes to Financial Statements (continued)

December 31, 2024

5. Retirement Commitments (continued)

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and The City is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City were \$182,639 for the year ended December 31, 2024.

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

The net pension liability for the LGDTF was measured as of December 31, 2023, and the total pension liability (TPL) used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the TPL to December 31, 2023. The City's proportion of the net pension liability was based on the City's contributions to the LGDTF for the calendar year 2023 relative to the total contributions of participating employers.

At December 31, 2024, the City reported a liability of \$1,112,270 for its proportionate share of the net pension liability.

At December 31, 2023, the City's proportion was 0.15%, which was an increase of 0.03% from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized pension expense of \$102,780. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 60,193	\$ 1,143
Net difference between projected and actual earnings on pension plan investments	324,787	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	89,811	-
Contributions subsequent to the measurement date	182,639	-
Total	<u>\$ 657,429</u>	<u>\$ 1,143</u>

\$182,639 reported as deferred outflows of resources related to pensions, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ending December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

<u>Year Ending December 31,</u>	
2025	\$ 151,637
2026	137,553
2027	273,924
2028	(89,466)
Total	\$ 473,648

City of Castle Pines, Colorado

Notes to Financial Statements (continued)

December 31, 2024

5. Retirement Commitments (continued)

Actuarial Assumptions

The total pension liability in the December 31, 2022, actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20%–11.30%
Long-term investment rate of return, net of pension plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Post-retirement benefit increases:	
PERA benefit structure hired prior to 1/1/07 and DPS benefit structure (compounded annually)	1.00%
PERA benefit structure hired after 12/31/06 ¹	Financed by the AIR

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

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

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

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

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

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

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

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

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

5. Retirement Commitments (continued)

The actuarial assumptions used in the December 31, 2022, valuations were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020 meeting.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

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

Discount rate

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

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

5. Retirement Commitments (continued)

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point of the GASB 67 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund were \$24.967 million and \$1.033 million, respectively. The City's proportionate share of the increase in FNP as a result of this transaction was \$37,832.

City of Castle Pines, Colorado

Notes to Financial Statements (continued)

December 31, 2024

5. Retirement Commitments (continued)

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

Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate

The following presents the proportionate share of the net pension liability calculated using the discount rate of 7.25 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount	1% Increase (8.25%)
Proportionate share of the net pension liability (asset)	\$2,180,172	\$1,112,270	\$217,728

Pension plan fiduciary net position

Detailed information about the LGDTF's FNP is available in PERA's ACFR which can be obtained at <https://www.copera.org/forms-resources/financial-reports-and-studies>.

Defined Contribution Pension Plan

Plan Description

Employees of the City that are also members of the LGDTF may voluntarily contribute to the Voluntary Investment Program, an Internal Revenue Code Section 401(k) defined contribution plan administered by PERA. Title 24, Article 51, Part 14 of the CRS, as amended, assigns the authority to establish the Plan provisions to the State Legislature. PERA issues a publicly available annual financial report for the Plan. That report may be obtained as described previously.

Funding Policy

The Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS, as amended. In addition, the City has agreed to match employee contributions up to 5% of covered salaries. Forfeitures are used to pay expenses of the PERA defined contribution plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the Colorado Revised Statutes. For the year ended December 31, 2024, the City contributed \$102,702 and Plan members contributed \$54,385 to the Plan.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits

General Information about the OPEB Plan

Eligible employees of the City are provided with OPEB through the HCTF – a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended, and sets forth a framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report (ACFR) that can be obtained at www.copera.org/investments/pera-financial-reports.

Benefits Provided

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

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

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

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

PERA Benefit Structure

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

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

For retirees who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, the HCTF or the DPS HCTF pays an alternate service-based premium subsidy. Each individual retiree meeting these conditions receives the maximum \$230 per month subsidy reduced appropriately for service less than 20 years, as described above. Retirees who do not have Medicare Part A pay the difference between the total premium and the monthly subsidy.

Contributions

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the City were \$13,539 for the year ended December 31, 2024.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At December 31, 2024, the City reported a liability of \$80,914 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2023, and the total OPEB liability (TOL) used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2022. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2023. The City's proportion of the net OPEB liability was based on the City's contributions to the HCTF for the calendar year 2023 relative to the total contributions of participating employers to the HCTF.

At December 31, 2023, the City's proportion was 0.011 percent, which was an increase of 0.002 from its proportion measured as of December 31, 2022.

For the year ended December 31, 2024, the City recognized OPEB expense of \$9,850. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ -	\$ 16,584
Changes of assumptions or other inputs	950	8,579
Net difference between projected and actual earnings on pension plan investments	2,503	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	33,506	-
Contributions subsequent to the measurement date	13,539	-
Total	<u>\$ 50,498</u>	<u>\$ 25,163</u>

\$13,539 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the year ended December 31, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

<u>Year Ending December 31,</u>		
2025	\$	1,825
2026		3,276
2027		3,725
2028		(509)
2029		2,130
Thereafter		1,350
Total	\$	11,797

Actuarial assumptions

The TOL in the December 31, 2022 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%
Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans ¹	7.00% in 2023 gradually decreasing to 4.50% in 2033
Medicare Part A premiums	3.50% in 2023, gradually increasing to 4.50% in 2035

¹ UnitedHealthcare MAPD PPO plans are 0% for 2023.

Each year the per capita health care costs are developed by plan option; currently based on 2023 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-68	2.2%	2.3%
69	2.8%	2.2%
70	2.7%	1.6%
71	3.1%	0.5%
72	2.3%	0.7%
73	1.2%	0.8%
74	0.9%	1.5%
75-85	0.9%	1.3%
86 and older	0.0%	0.0%

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$1,692	\$1,406	\$579	\$481	\$1,913	\$1,589
70	\$1,901	\$1,573	\$650	\$538	\$2,149	\$1,778
75	\$2,100	\$1,653	\$718	\$566	\$2,374	\$1,869

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	\$6,469	\$5,373	\$4,198	\$3,487	\$6,719	\$5,581
70	\$7,266	\$6,011	\$4,715	\$3,900	\$7,546	\$6,243
75	\$8,026	\$6,319	\$5,208	\$4,101	\$8,366	\$6,563

The 2023 Medicare Part A premium is \$506 (actual dollars) per month.

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

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

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2022, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

Year	PERACare Medicare Plans	Medicare Part A Premiums
2023	7.00%	3.50%
2024	6.75%	3.50%
2025	6.50%	3.75%
2026	6.25%	3.75%
2027	6.00%	4.00%
2028	5.75%	4.00%
2029	5.50%	4.00%
2030	5.25%	4.25%
2031	5.00%	4.25%
2032	4.75%	4.25%
2033	4.50%	4.25%
2034	4.50%	4.25%
2035+	4.50%	4.50%

Mortality assumptions used in the December 31, 2022, valuation for the determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

Pre-retirement mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Employee Table with generational projection using scale MP-2019.

Post-retirement non-disabled mortality assumptions for the State and Local Government Divisions were based upon the PubG-2010 Healthy Retiree Table, adjusted as follows:

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

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

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

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

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

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

- Per capita health care costs in effect as of the December 31, 2022, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2023 plan year.
- The morbidity rates used to estimate individual retiree and spouse costs by age and by gender were updated effective for the December 31, 2022, actuarial valuation. The revised morbidity rate factors are based on a review of historical claims experience by age, gender, and status (active versus retired) from actuary's claims data warehouse.
- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums.

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

The actuarial assumptions used in the December 31, 2022, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

The long-term expected return on plan assets is reviewed as part of regular experience studies prepared every four to five years for PERA. Recently this assumption has been reviewed more frequently. The most recent analyses were outlined in the Experience Study report dated October 28, 2020.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

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

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

Asset Class	Target Allocation	30 Year Expected Geometric Real Rate of Return
Global Equity	54.00%	5.60%
Fixed Income	23.00%	1.30%
Private Equity	8.50%	7.10%
Real Estate	8.50%	4.40%
Alternatives	6.00%	4.70%
Total	100.00%	

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

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the Health Care Cost Trend Rates.

The following presents the net OPEB liability using the current health care cost trend rates applicable to the PERA benefit structure, as well as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.75%	6.75%	7.75%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.50%	3.50%	4.50%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	\$ 78,592	\$ 80,914	\$ 83,440

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

Discount rate

The discount rate used to measure the TOL was 7.25 percent. The projection of cash flows used to determine the discount rate applied the actuarial cost method and assumptions shown above. In addition, the following methods and assumptions were used in the projection of cash flows:

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2023, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the HCTF representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.
- Beginning with the December 31, 2023, measurement date and thereafter, the FNP as of the current measurement date is used as a starting point for the GASB 74 projection test.
- As of the December 31, 2023, measurement date, the FNP and related disclosure components for the HCTF reflect payments related to the disaffiliation of Tri-County Health Department as PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023, and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the HCTF were \$1.033 million. The City's proportionate share of the increase in FNP as a result of this transaction was \$117.

Based on the above assumptions and methods, the Trust Fund's FNP was projected to make all projected future benefit payments of current members. Therefore, the long-term expected rate of return of 7.25 percent on OPEB plan investments was applied to all periods of projected benefit payments to determine the total OPEB liability. The discount rate determination did not use the municipal bond index rate, and therefore, the discount rate is 7.25 percent. There was no change in the discount rate from the prior measurement date.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

6. Post-Employment Benefits (continued)

Sensitivity of the City's proportionate share of the net OPEB liability to changes in the discount rate

The following presents the proportionate share of the net OPEB liability calculated using the discount rate of 7.25 percent as of the measurement date, as well as what the proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25 percent) or 1-percentage-point higher (8.25 percent) than the current rate:

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	\$ 95,570	\$ 80,914	\$ 68,376

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at <https://www.copera.org/forms-resources/financial-reports-and-studies>.

7. Commitments and Contingencies

The Canyons Annexation and Development Agreement

During 2009, the City approved an annexation and development agreement with the developer of a planned development known as The Canyons. To defray the cost to the City of providing municipal services during the predevelopment phase and to the future development, the developer paid \$1,976,400 to the City during the year ended December 31, 2009, and an additional \$1,000,000 during the year ended December 31, 2013.

As part of the agreement, the City agreed to grant future sales and use tax credits to retailers and building permit applicants within the development. The developer will collect public improvement fees in lieu of the sales and use taxes to finance the construction of infrastructure in the development. \$570,811 in use tax credits were paid in 2024.

Claims and Judgements

The City participates in state and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2024, the City believes that any subsequent audits will not have a material effect on the overall financial position of the City.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

7. Commitments and Contingencies (continued)

Tabor Amendment

In November 1992, Colorado voters passed an amendment to the State Constitution, Article X, Section 20, which limits state and local government taxing powers and imposes spending limitations.

Pursuant to the incorporation election held in November, 2007, any proceeds from sales and use taxes, property taxes, and the investment income thereon shall be retained, collected and spent by the City without regard to any spending, revenue-raising or other limitation contained in Article X, Section 20, without limiting in any year the amount of other revenue that may be collected and spent by the City.

In November, 2012, voters within the City authorized the City to retain and spend City revenues derived from any and all sources in excess of the spending or other limitations set forth in Article X, Section 20, beginning with revenues received in 2011. The Amendment is subject to many interpretations, but the City believes it is in substantial compliance with the Amendment.

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2024, the emergency reserve of \$735,094 was reported as restricted fund balance in the General Fund.

8. Transfer of Operations

The City entered into an intergovernmental agreement with Castle Pines North Metropolitan District (“the District”), dated March 28, 2023, to transition responsibility for parks, recreation, trails, and open space, including funding, from the District to the City.

Per this agreement, in 2023, the District transferred all Budgeted Park Improvement Funds, Conservation Trust Funds, and all remaining funds in the District’s General Fund attributable to the District’s Parks Operations Mill Levy. During 2024, these related amounts totaled \$1,381,405 and are reflected as a Special Item in the Statement of Revenues, Expenditures, and Change in Fund Balance – Parks and Recreation North Fund, and in the Government-Wide Statement of Activities. According to the agreements, the District shall convey all real property, facilities, fixtures, equipment, and interests therein related to the Stormwater System and Recreation Properties that are owned by the District, including, but not limited to, all easements for stormwater infrastructure and other easements relating to and/or necessary for the provision of stormwater services for consideration of \$10 per each agreement. A complete list of all such real property interests, facilities and fixtures is to be provided to the City. This list is currently under completion and a bill of sale to the City is expected in 2025.

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

9. Restatement

The City has restated the beginning net position for the Stormwater Fund to correctly allocate pension and OPEB activity from the prior-year, and transfer construction in progress from the proprietary fund to the governmental fund. This restatement impacts the Statement of Net Position, Statement of Activities, Statement of Net Position – Stormwater Fund, and the Statement of Revenues, Expenses, and Change in Net Position – Stormwater Fund.

The restatement is summarized as follows:

	December 31, 2023		December 31, 2023
	Net Position		Net Position
	<u>As Previously Stated</u>	<u>Restatement</u>	<u>As Restated</u>
Government-Wide			
Governmental Activities	\$ 86,983,582	\$ 137,297	\$ 87,120,879
Business-Type Activities	<u>1,463,368</u>	<u>(137,297)</u>	<u>1,326,071</u>
Total Government-Wide	<u><u>\$ 88,446,950</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 88,446,950</u></u>
Proprietary Fund			
Stormwater Fund	<u>\$ 1,463,368</u>	<u>\$ (137,297)</u>	<u>\$ 1,326,071</u>
Total Proprietary Fund	<u><u>\$ 1,463,368</u></u>	<u><u>\$ (137,297)</u></u>	<u><u>\$ 1,326,071</u></u>

"Remainder of this page left intentionally blank"

City of Castle Pines, Colorado
Notes to Financial Statements (continued)
December 31, 2024

10. Fund Balances

The Grants and Restricted Revenue Fund do not meet the criteria to be classified as special revenue fund, and therefore, the activities of this fund have been included with the General Fund in accordance with generally accepted accounting principles as follows:

	General Fund	Grants and Restricted Revenue Fund	Combined General Fund
Fund balance, January 1, 2024	\$ 1,212,941	\$ (1,042)	1,211,899
Revenues and other financing sources:			
Taxes	9,865,947	-	9,865,947
Franchise fees	776,014	-	776,014
Licenses and permits	53,207	-	53,207
Charges for services	2,291,473	-	2,291,473
Fines and forfeitures	239,715	-	239,715
Intergovernmental	66,892	55,652	122,544
Investment income	417,863	-	417,863
Other	17,352	-	17,352
Total revenues and other financing sources	<u>13,728,463</u>	<u>55,652</u>	<u>13,784,115</u>
Expenditures and other financing uses:			
General government	2,467,875	-	2,467,875
Public safety	1,869,112	-	1,869,112
Public works	-	69,565	69,565
Parks and recreation	550,844	-	550,844
Community and economic development	2,338,548	-	2,338,548
Total expenditures and other financing uses	<u>7,226,379</u>	<u>69,565</u>	<u>7,295,944</u>
Transfers in (out):			
Capital Improvements Fund	(6,200,000)	-	(6,200,000)
Roads Fund	-	13,913	13,913
Total transfers	<u>(6,200,000)</u>	<u>13,913</u>	<u>(6,186,087)</u>
Fund balance, December 31, 2024	<u>\$ 1,515,025</u>	<u>\$ (1,042)</u>	<u>\$ 1,513,983</u>

City of Castle Pines, Colorado

Required Supplementary Information

City of Castle Pines, Colorado
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
General Fund
For the Year Ended December 31, 2024

	Budgeted			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 10,982,100	\$ 10,982,100	\$ 9,865,947	\$ (1,116,153)
Franchise fees	855,100	855,100	776,014	(79,086)
Licenses and permits	41,700	41,700	53,207	11,507
Intergovernmental	83,200	83,200	122,544	39,344
Charges for services	1,601,600	1,951,600	2,291,473	339,873
Fines and forfeitures	256,500	256,500	239,715	(16,785)
Investment income (expense)	208,600	208,600	417,863	209,263
Other income	-	-	17,352	17,352
Total Revenues	<u>14,028,800</u>	<u>14,378,800</u>	<u>13,784,115</u>	<u>(594,685)</u>
Expenditures				
Elected Officials	216,200	216,200	227,714	(11,514)
City Manager	326,300	326,300	325,037	1,263
Inter/Non-Departmental	504,700	421,400	517,974	(96,574)
Legal services	249,700	249,700	227,973	21,727
Communications	271,900	271,900	260,164	11,736
Human Resources/Risk Management	418,900	90,800	147,339	(56,539)
Finance	-	411,500	424,855	(13,355)
City Clerk	341,100	340,700	292,579	48,121
Municipal Court	43,000	43,000	44,240	(1,240)
Public safety	1,861,500	1,861,500	1,869,112	(7,612)
Public works	-	-	69,565	(69,565)
Community development	1,344,700	1,695,000	1,657,835	37,165
Economic development	1,146,500	1,146,500	680,713	465,787
City events	<u>388,700</u>	<u>388,700</u>	<u>550,844</u>	<u>(162,144)</u>
Total Expenditures	<u>7,113,200</u>	<u>7,463,200</u>	<u>7,295,944</u>	<u>167,256</u>
Excess Of Revenues Over (Under) Expenditures	6,915,600	6,915,600	6,488,171	(427,429)
Other Financial Sources (Uses)				
Operating Transfers In	-	-	13,913	13,913
Operating Transfers (Out)	<u>(7,760,000)</u>	<u>(7,760,000)</u>	<u>(6,200,000)</u>	<u>1,560,000</u>
Net Change in Fund Balance	(844,400)	(844,400)	302,084	1,146,484
Fund Balance, Beginning of Year	<u>2,697,577</u>	<u>2,697,577</u>	<u>1,211,899</u>	<u>(1,485,678)</u>
Fund Balance, End of Year	<u>\$ 1,853,177</u>	<u>\$ 1,853,177</u>	<u>\$ 1,513,983</u>	<u>\$ (339,194)</u>

City of Castle Pines, Colorado
Parks and Recreation Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$ 4,428,800	\$ 4,860,598	\$ 431,798
Grants - State	49,500	-	(49,500)
Park Fees	111,500	63,418	(48,082)
Investment income (expense)	-	110,392	110,392
Total Revenues	<u>4,589,800</u>	<u>5,034,408</u>	<u>444,608</u>
Expenditures			
Parks and Recreation	1,273,700	649,597	624,103
Capital Outlay	200,000	-	200,000
Contributions	100,000	100,000	-
Total Expenditures	<u>1,573,700</u>	<u>749,597</u>	<u>824,103</u>
Excess Of Revenues Over (Under) Expenditures	<u>3,016,100</u>	<u>4,284,811</u>	<u>1,268,711</u>
Net Change in Fund Balance	3,016,100	4,284,811	1,268,711
Fund Balance, Beginning of Year	<u>123,552</u>	<u>123,580</u>	<u>28</u>
Fund Balance, End of Year	<u><u>\$ 3,139,652</u></u>	<u><u>\$ 4,408,391</u></u>	<u><u>\$ 1,268,739</u></u>

City of Castle Pines, Colorado
Parks and Recreation North Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Investment Income	\$ 141,500	\$ 211,129	\$ 69,629
Total Revenue	<u>141,500</u>	<u>211,129</u>	<u>69,629</u>
Expenditures			
Parks	2,109,200	2,262,653	(153,453)
Capital Outlay	<u>467,600</u>	<u>55,480</u>	<u>412,120</u>
Total Expenditures	<u>2,576,800</u>	<u>2,318,133</u>	<u>258,667</u>
Excess Of Revenues Over (Under) Expenditures	<u>(2,435,300)</u>	<u>(2,107,004)</u>	<u>328,296</u>
Special Item	<u>-</u>	<u>1,381,405</u>	<u>1,381,405</u>
Net Change in Fund Balance	(2,435,300)	(725,599)	1,709,701
Fund Balance, Beginning of Year	<u>6,596,600</u>	<u>6,600,748</u>	<u>4,148</u>
Fund Balance, End of Year	<u>\$ 4,161,300</u>	<u>\$ 5,875,149</u>	<u>\$ 1,713,849</u>

City of Castle Pines, Colorado
Roads Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Sales and use taxes	\$ 3,341,100	\$ 2,909,828	\$ (431,272)
Licenses and permits	156,900	124,018	(32,882)
Intergovernmental	1,915,300	1,635,213	(280,087)
Public works fees	200,000	192,907	(7,093)
Investment Income	-	45,875	45,875
Other revenue	-	125,000	125,000
Total Revenue	<u>5,613,300</u>	<u>5,032,841</u>	<u>(580,459)</u>
Expenditures			
Operations & Maintenance	<u>3,047,900</u>	<u>2,321,543</u>	<u>726,357</u>
Total Expenditures	<u>3,047,900</u>	<u>2,321,543</u>	<u>726,357</u>
Excess Of Revenues Over (Under) Expenditures	2,565,400	2,711,298	145,898
Other Financial Sources (Uses)			
Operating Transfers (Out)	<u>(1,800,000)</u>	<u>(1,813,913)</u>	<u>(13,913)</u>
Total Transfers	<u>(1,800,000)</u>	<u>(1,813,913)</u>	<u>(13,913)</u>
Net Change in Fund Balance	765,400	897,385	131,985
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 765,400</u>	<u>\$ 897,385</u>	<u>\$ 131,985</u>

City of Castle Pines, Colorado
Retirement Plan Supplementary Information
For the Year Ended December 31, 2024

Schedule of Proportionate Share of the Net Pension and OPEB Liabilities (Assets) and Related Ratios

Colorado PERA - Pension

<u>Year Ending*</u>	<u>Proportion of the Net Pension Liability</u>	<u>Proportionate Share of the Net Pension Liability</u>	<u>Actual Member Payroll</u>	<u>Net Pension Liability as a Percentage of Member Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total Pension Liability</u>
12/31/2015	0.064%	\$ 576,789	\$ 352,618	163.57%	80.72%
12/31/2016	0.066%	\$ 732,317	\$ 377,547	193.97%	76.90%
12/31/2017	0.066%	\$ 897,685	\$ 401,445	223.61%	73.65%
12/31/2018	0.065%	\$ 724,317	\$ 404,528	179.05%	79.40%
12/31/2019	0.070%	\$ 880,318	\$ 471,789	186.59%	75.96%
12/31/2020	0.090%	\$ 659,708	\$ 621,321	106.18%	86.26%
12/31/2021	0.111%	\$ 579,540	\$ 778,311	74.46%	90.88%
12/31/2022	0.123%	\$ (105,178)	\$ 894,316	-11.76%	101.49%
12/31/2023	0.121%	\$ 1,215,553	\$ 942,991	128.90%	82.99%
12/31/2024	0.152%	\$ 1,112,270	\$ 1,479,151	75.20%	88.03%

Colorado PERA - OPEB

<u>Year Ending*</u>	<u>Proportion of the Net OPEB Liability</u>	<u>Proportionate Share of the Net OPEB Liability</u>	<u>Actual Member Payroll</u>	<u>OPEB Liability as a Percentage of Member Payroll</u>	<u>Fiduciary Net Position as a Percentage of Total OPEB Liability</u>
12/31/2018	0.005%	\$ 65,694	\$ 404,528	16.24%	17.50%
12/31/2019	0.005%	\$ 73,880	\$ 471,789	15.66%	17.03%
12/31/2020	0.007%	\$ 77,669	\$ 621,321	12.50%	24.49%
12/31/2021	0.008%	\$ 80,592	\$ 778,311	10.35%	32.78%
12/31/2022	0.009%	\$ 81,107	\$ 894,316	9.07%	39.40%
12/31/2023	0.009%	\$ 76,356	\$ 942,991	8.10%	38.57%
12/31/2024	0.011%	\$ 80,914	\$ 1,479,151	5.47%	46.16%

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

Schedule of Employer Contributions (PERA and OPEB)

<u>Year Ending</u>	<u>Statutorily Required Contributions</u>	<u>Actual Employer Contributions</u>	<u>Contribution Excess/(Deficiency)</u>	<u>Actual Covered Member Payroll</u>	<u>Contributions as a Percentage of Covered Payroll</u>
12/31/2015	\$ 51,724	\$ 51,724	\$ -	\$ 377,547	13.7%
12/31/2016	\$ 54,998	\$ 54,998	\$ -	\$ 401,445	13.7%
12/31/2017	\$ 55,489	\$ 55,489	\$ -	\$ 404,528	13.7%
12/31/2018	\$ 64,635	\$ 64,635	\$ -	\$ 471,789	13.7%
12/31/2019	\$ 85,121	\$ 85,121	\$ -	\$ 621,321	13.7%
12/31/2020	\$ 109,514	\$ 109,514	\$ -	\$ 778,311	14.1%
12/31/2021	\$ 129,674	\$ 129,674	\$ -	\$ 894,316	14.5%
12/31/2022	\$ 143,652	\$ 143,652	\$ -	\$ 942,991	15.2%
12/31/2023	\$ 195,685	\$ 195,685	\$ -	\$ 1,479,151	13.2%
12/31/2024	\$ 196,177	\$ 196,177	\$ -	\$ 1,327,315	14.8%

Notes to the Required Supplementary Information

Note 1 – Significant Changes in Plan Provisions Affecting Trends in Actuarial Information

2023 Changes in Plan Provisions Since 2022

As of the December 31, 2023, measurement date, the fiduciary net position (FNP) and related disclosure components for the Local Government Division reflect payments related to the disaffiliation of Tri-County Health Department (Tri-County Health) as a PERA-affiliated employer, effective December 31, 2022. As of the December 31, 2023, year-end, PERA recognized two additions for accounting and financial reporting purposes: a \$24 million payment received on December 4, 2023 and a \$2 million receivable. The employer disaffiliation payment and receivable allocations to the Local Government Division Trust Fund and Health Care Trust Fund (HCTF) were \$24.967 million and \$1.033 million, respectively. The City's proportionate share of the increase in FNP as a result of this transaction was \$37,832 for pension, and \$117 for OPEB.

As of the December 31, 2023, measurement date, the total pension liability (TPL) recognizes the change in the default method applied for granting service accruals for certain members, from a "12-pay" method to a "non-12-pay" method. The default service accrual method for positions with an employment pattern of at least eight months but fewer than 12 months (including, but not limited to positions in the School and DPS Divisions) receive a higher ratio of service credit for each month worked, up to a maximum of 12 months of service credit per year.

Note 2 - Significant Changes in Assumptions or Other Inputs Affecting Trends in Actuarial Information

2023 Changes in Assumptions or Other Inputs Since 2022

There were no changes made to the actuarial methods or assumptions.

Note 3 – Retirement Plan Supplementary Information

The schedules presented in the Retirement Plan Supplementary Information for the year ended December 31, 2024, are intended to show information for ten years. Additional years will be displayed as they become available.

City of Castle Pines, Colorado

Other Supplementary Information

City of Castle Pines, Colorado
Community Capital Investment Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Other revenue	\$ -	\$ 59	\$ 59
Total Revenues	-	59	59
 Excess Of Revenues Over (Under) Expenditures	 -	 59	 59
 Other Financing Sources			
Proceeds from sale of assets	-	310,368	310,368
Total Other Financing Sources	-	310,368	310,368
 Net Change in Fund Balance	 -	 310,427	 310,427
 Fund Balance, Beginning of Year	 3,042,000	 3,042,000	 -
 Fund Balance, End of Year	 <u>\$ 3,042,000</u>	 <u>\$ 3,352,427</u>	 <u>\$ 310,427</u>

City of Castle Pines, Colorado
Capital Improvements Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	Budgeted			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Contributions	\$ 1,000,000	\$ 1,000,000	\$ 2,600,000	\$ 1,600,000
Grants	2,619,000	2,619,000	197,095	(2,421,905)
Other revenue	-	-	105,841	105,841
Total Revenues	<u>3,619,000</u>	<u>3,619,000</u>	<u>2,902,936</u>	<u>(716,064)</u>
Expenditures				
Supplies	-	-	27,698	(27,698)
Professional services	-	-	1,458,479	(1,458,479)
Capital outlay	<u>13,710,000</u>	<u>18,150,000</u>	<u>10,094,341</u>	<u>8,055,659</u>
Total Expenditures	<u>13,710,000</u>	<u>18,150,000</u>	<u>11,580,518</u>	<u>6,569,482</u>
Excess Of Revenues Over (Under) Expenditures	(10,091,000)	(14,531,000)	(8,677,582)	5,853,418
Other Financial Sources (Uses)				
Operating Transfers In	<u>9,560,000</u>	<u>9,560,000</u>	<u>8,000,000</u>	<u>(1,560,000)</u>
Total Transfers	<u>9,560,000</u>	<u>9,560,000</u>	<u>8,000,000</u>	<u>(1,560,000)</u>
Net Change in Fund Balance	(531,000)	(4,971,000)	(677,582)	4,293,418
Fund Balance, Beginning of Year	<u>945,194</u>	<u>5,874,376</u>	<u>5,874,376</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 414,194</u>	<u>\$ 903,376</u>	<u>\$ 5,196,794</u>	<u>\$ 4,293,418</u>

City of Castle Pines, Colorado
Combining Balance Sheet
Other Governmental Funds
December 31, 2024

	Conservation Trust Fund	North Pine Vistas Metro Districts Nos. 1-3 O&M Fund	Totals
Assets			
Cash and cash equivalents	\$ 959,120	\$ 67,424	\$ 1,026,544
Accounts receivable	<u>18,480</u>	<u>-</u>	<u>18,480</u>
Total assets	<u><u>977,600</u></u>	<u><u>67,424</u></u>	<u><u>1,045,024</u></u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	<u>-</u>	<u>67,424</u>	<u>67,424</u>
Total Liabilities	<u>-</u>	<u>67,424</u>	<u>67,424</u>
Fund Balances			
Restricted	<u>977,600</u>	<u>-</u>	<u>977,600</u>
Total Fund Balances	<u>977,600</u>	<u>-</u>	<u>977,600</u>
Total Liabilities and Fund Balances	<u><u>\$ 977,600</u></u>	<u><u>\$ 67,424</u></u>	<u><u>\$ 1,045,024</u></u>

City of Castle Pines, Colorado
Other Governmental Funds
Combining Statement of Revenues, Expenditures,
And Changes in Fund Balances
For the Year Ended December 31, 2024

	Conservation Trust Fund	North Pine Vistas Metro Districts Nos. 1-3 O&M Fund	Totals
Revenues			
Intergovernmental	\$ 154,071	\$ -	\$ 154,071
Investment income	49,118	-	49,118
Other	<u>-</u>	<u>27,576</u>	<u>27,576</u>
Total Revenues	203,189	27,576	230,765
Expenditures			
Operation and Maintenance	<u>-</u>	<u>237,406</u>	<u>237,406</u>
Total Expenditures	<u>-</u>	<u>237,406</u>	<u>237,406</u>
Net changes in fund balances	<u>203,189</u>	<u>(209,830)</u>	<u>(6,641)</u>
Fund Balances			
Beginning of the year	<u>774,411</u>	<u>209,830</u>	<u>984,241</u>
End of the year	<u><u>\$ 977,600</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 977,600</u></u>

City of Castle Pines, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental Revenue			
State Lottery Disbursement	\$ 628,900	\$ 154,071	\$ (474,829)
Investment Income	40,800	49,118	8,318
Total Revenues	<u>669,700</u>	<u>203,189</u>	<u>(466,511)</u>
 Excess Of Revenues Over (Under) Expenditures	 <u>669,700</u>	 <u>203,189</u>	 <u>(466,511)</u>
 Net Change in Fund Balance	 669,700	 203,189	 (466,511)
 Fund Balance, Beginning of Year	 <u>631,898</u>	 <u>774,411</u>	 <u>142,513</u>
 Fund Balance, End of Year	 <u><u>\$ 1,301,598</u></u>	 <u><u>\$ 977,600</u></u>	 <u><u>\$ (323,998)</u></u>

City of Castle Pines, Colorado
North Pine Vistas Metro Districts Nos. 1-3 O&M Fund
Schedule of Revenues, Expenditures,
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2024

	Budgeted			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental Revenue	\$ -	\$ 27,700	\$ 27,576	\$ (124)
Total Revenues	-	27,700	27,576	(124)
Expenditures				
Operation and Maintenance	68,000	237,500	237,406	94
Total Expenditures	68,000	237,500	237,406	94
Excess Of Revenues Over (Under) Expenditures	(68,000)	(209,800)	(209,830)	(30)
Net Change in Fund Balance	(68,000)	(209,800)	(209,830)	(30)
Fund Balance, Beginning of Year	68,000	209,830	209,830	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 30</u>	<u>\$ -</u>	<u>\$ (30)</u>

City of Castle Pines, Colorado
Enterprise Fund - Stormwater
Schedule of Revenues, Expenses,
and Change in Fund Balance—Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2024

	Budgeted	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Management Fees	\$ 607,500	\$ 608,668	\$ 1,168
Permit Fees	20,000	58,177	38,177
Investment Income	28,200	56,227	28,027
Other Revenue	-	24,377	24,377
Total Revenues	655,700	747,449	91,749
Expenditures			
Stormwater	358,400	318,094	40,306
Capital Outlay	500,000	-	500,000
Total Expenditures	858,400	318,094	540,306
Excess Of Revenues Over (Under) Expenditures	(202,700)	429,355	632,055
Net Change in Fund Balance	(202,700)	429,355	632,055
Fund Balance, Beginning of Year (as restated)	1,430,100	1,326,071	(104,029)
Fund Balance, End of Year	<u>\$ 1,227,400</u>	<u>\$ 1,755,426</u>	<u>\$ 528,026</u>
ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS			
Pension and OPEB Revenue (Expense)		7,718	
CHANGE IN NET POSITION - GAAP BASIS		437,073	
NET POSITION, BEGINNING OF YEAR (AS RESTATED)		1,326,071	
NET POSITION, END OF YEAR		<u>\$ 1,763,144</u>	

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

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO			
		YEAR ENDING (mm/yy): 12/24			
This Information From The Records Of: CITY OF CASTLE PINES		Prepared By: MIKE FARINA, FINANCE DIRECTOR			
I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE					
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration	
1. Total receipts available					
2. Minus amount used for collection expenses					
3. Minus amount used for nonhighway purposes					
4. Minus amount used for mass transit					
5. Remainder used for highway purposes					
II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. EXPENDITURES FOR ROAD AND STREET PURPOSES			
ITEM	AMOUNT	ITEM	AMOUNT		
A. Receipts from local sources:		A. Local highway expenditures:			
1. Local highway-user taxes		1. Capital outlay (from page 2)	\$ 10,471,307.00		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	\$ 332,905.00		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	\$ 58,800.00		
2. General fund appropriations	\$ 5,172,286.00	b. Snow and ice removal	\$ 760,309.00		
3. Other local imposts (from page 2)	\$ 4,366,700.00	c. Other	\$ 622,148.00		
4. Miscellaneous local receipts (from page 2)	\$ 3,078,497.00	d. Total (a. through c.)	\$ 1,441,257.00		
5. Transfers from toll facilities		4. General administration & miscellaneous	\$ 1,046,004.00		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	\$ -		
a. Bonds - Original Issues		6. Total (1 through 5)	\$ 13,291,473.00		
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)	\$ 12,617,483.00	b. Redemption			
B. Private Contributions		c. Total (a. + b.)	\$ -		
C. Receipts from State government (from page 2)	\$ 673,990.00	2. Notes:			
D. Receipts from Federal Government (from page 2)	\$ -	a. Interest			
E. Total receipts (A.7 + B + C + D)	\$ 13,291,473.00	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 expenditures (A.6 + B.3 + C + D)		\$ 13,291,473.00	
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 (RECEIPTS AND DISBURSEMENTS ONLY)					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	\$ -	\$ 13,291,473.00	\$ 13,291,473.00	\$ -	\$ -
Notes and Comments:					

LOCAL HIGHWAY FINANCE REPORT		STATE: COLORADO	
		YEAR ENDING (mm/yy): 12/24	

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	\$ 689,267.00	a. Interest on investments	\$ 45,875.00
b. Other local imposts:		b. Traffic Fines & Penalties	\$ 239,715.00
1. Sales Taxes	\$ 3,427,669.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses	\$ 124,018.00	f. Charges for Services	\$ 192,907.00
5. Specific Ownership &/or Other	\$ 125,746.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	\$ 3,677,433.00	h. Other	\$ 2,600,000.00
c. Total (a. + b.)	\$ 4,366,700.00	i. Total (a. through h.)	\$ 3,078,497.00
(Carry forward to page 1)		(Carry forward to page 1)	
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes (from Item I.C.5.)	\$ 428,105.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	\$ 48,790.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other	\$ 197,095.00	f. Other Federal	
f. Total (a. through e.)	\$ 245,885.00	g. Total (a. through f.)	\$ -
4. Total (1. + 2. + 3.f)	\$ 673,990.00	3. Total (1. + 2.g)	\$ -
(Carry forward to page 1)		(Carry forward to page 1)	

III. EXPENDITURES 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		\$ -	\$ -
b. Engineering Costs		\$ 757,350.00	\$ 757,350.00
c. Construction:			
(1). New Facilities		\$ -	\$ -
(2). Capacity Improvements		\$ 4,019,669.00	\$ 4,019,669.00
(3). System Preservation		\$ 1,676,142.00	\$ 1,676,142.00
(4). System Enhancement And Operation		\$ 4,018,146.00	\$ 4,018,146.00
(5). Total Construction (1)+(2)+(3)+(4)	\$ -	\$ 9,713,957.00	\$ 9,713,957.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	\$ -	\$ 10,471,307.00	\$ 10,471,307.00
(Carry forward to page 1)			
Notes and Comments:			