





2025 Annual Comprehensive Financial Report

For the year ended Dec. 31, 2025

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2025 Annual Comprehensive Financial Report

For the Year Ended December 31, 2025

Prepared by the Finance Department



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TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Page Number
INTRODUCTORY SECTION (Unaudited)	
Letter of Transmittal	i
Organizational Chart	v
Directory of Town Officials	vi
Certificate of Achievement for Excellence in Financial Reporting	vii
FINANCIAL SECTION	
Independent Auditors' Report	1
Management's Discussion and Analysis	5
Basic Financial Statements	
Town-wide Financial Statements	
Statement of Net Position	22
Statement of Activities	24
Fund Financial Statements	
Governmental Funds	
Balance Sheet	29
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	30
Statement of Revenues, Expenditures, and Changes in Fund Balances	31
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances to the Statement of Activities	32
Proprietary Funds	
Statement of Net Position	34
Reconciliation of the Proprietary Funds Statement of Net Position to the Statement of Net Position	36
Statement of Revenues, Expenses and Changes in Fund Net Position	38
Reconciliation of the Enterprise Funds Statement of Revenues, Expenses and Changes in Fund Net Position to the Statement of Activities	40
Statement of Cash Flows	42
Fiduciary Funds	
Statement of Fiduciary Net Position	47
Statement of Changes in Fiduciary Net Position	48
Component Units	
Statement of Net Position	50
Statement of Activities	51
Notes to the Basic Financial Statements	52

TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Supplementary Information

Required Supplementary Information (Unaudited)

Volunteer Firefighters' Pension Plan Schedule of Changes in Net Pension Liability/ (Asset) and Related Ratios 112
Volunteer Firefighters' Pension Plan Schedule of Contributions 114
Statewide Retirement Plan Schedule of Contributions - Fire 116
Statewide Retirement Plan Schedule of the Town's Proportionate Share 117
Statewide Retirement Plan Schedule of Contributions - Police 118
Statewide Retirement Plan Schedule of the Town's Proportionate Share 119
Statewide Defined Benefit Pension Plan Schedule of Contributions - Fire 120
Statewide Defined Benefit Pension Plan Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) - Fire 122
Statewide Defined Benefit Pension Plan Schedule of Contributions - Police 124
Statewide Defined Benefit Pension Plan Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) - Police 125
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis)
General Fund 126
Economic Development 127
Parking 128
TABOR Excess 129
Total General Fund 130
Transportation 131
Note to Required Supplementary Information 132

Supplementary Information

Combining and Individual Fund Statements and Schedules

General Fund
Combining Balance Sheet 135
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances 136

Non-major Governmental Funds
Combining Balance Sheet 138
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 139

Non-major Special Revenue Funds
Combining Balance Sheet 142
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 144
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 146
Philip S. Miller Trust Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 147
Public Art Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 148

TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Police Forfeiture Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 149
Downtown Development Authority TIF Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 150
Public Safety Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 151
Castle Rock Urban Renewal Authority Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 152

Supplementary Information (continued)

Parks and Rec Lodging Tax fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 153
Festival Commons GID Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 154
Major Capital Projects Fund
Transportation Capital Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 156
Parks and Recreation Capital Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 157
Non-major Capital Projects Funds
Combining Balance Sheet 159
Combining Statement of Revenues, Expenditures and Changes in Fund Balances 160
Municipal Facilities Capital Fund
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 161
Fire Capital Fund
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 162
Police Capital Fund
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 163
General Long-Term Planning Fund
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 164
Non-major Proprietary Funds
Combining Statement of Net Position 166
Combining Statement of Revenues, Expenses and Changes in Fund Net Position 167

TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Combining Statement of Cash Flows 168
Enterprise Funds Budgetary Schedules
Water Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 171
Water Resources Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 172
Stormwater Fund
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 173
Wastewater Fund
Schedule of Revenues, Expenditures, and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 174

Supplementary Information (continued)

Golf Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 175
Community Center Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 176
Development Services Fund
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis) 177
Internal Service Funds
Combining Statement of Net Position 179
Combining Statement of Revenues, Expenses and Changes in Net Position 180
Combining Statement of Cash Flows 181
Schedule of Revenues, Expenditures and Changes in Funds Available
Budget and Actual (Non-GAAP Budgetary Basis)
Employee Benefits Fund 182
Fleet Services Fund 183
Fiduciary Funds
Combining Statement of Fiduciary Net Position – Custodial Funds 186
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds 187

STATISTICAL SECTION (UNAUDITED)

Financial Trends
Town-wide Net Position by Component 192
Town-wide Changes in Net Position 194
Program Revenues by Function 198
Fund Balances, Governmental Funds 200
Changes in Fund Balances, Governmental Funds 202

TOWN OF CASTLE ROCK, COLORADO
ANNUAL COMPREHENSIVE FINANCIAL REPORT
TABLE OF CONTENTS
FOR THE YEAR ENDED DECEMBER 31, 2025

Revenue Capacity

Tax Revenue by Source, Governmental Funds	205
Town-wide Expenses by Activity and Function	206
Governmental Expenditures by Function	208
Property Tax Levies and Collections	210
Assessed Value and Actual Value of Taxable Property	212
Property Tax Rates, Direct and Overlapping Governments	214
Taxable Sales by Category	216
Direct and Overlapping Sales Tax Rates	218
Principal Sales Tax Remitters	220

Debt Capacity

Ratio of Outstanding Debt by Type	224
Ratio of General Bonded Debt to Assessed Value and Bonded Debt per Capita	226
Computation of Direct and Overlapping Bonded Debt General Obligation Bonds	227
Legal Debt Margin Information	228
Pledged Revenue Coverage	229

STATISTICAL SECTION (Unaudited) - continued

Demographic and Economic Information

Demographic Information and Economic Statistics	234
Principal Employers	236
Principal Property Taxpayers	238

Operating Information

Full-Time Equivalent Town Employees by Function/Program	241
Operating Indicators by Function/Program	242
Capital Assets Statistics by Function/Program	244
Miscellaneous Statistics	246

COMPLIANCE SECTION

Local Highway Finance Report	248



INTRODUCTORY SECTION

Letter of Transmittal

Organizational Chart

Directory of Town Officials

Certificate of Achievement for Excellence in Financial Reporting

June 11, 2026

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

Colorado state law and the Town of Castle Rock (the Town) Home Rule Charter require an annual audit of the Town's financial statements. The goal of an audit is to provide reasonable assurance that the financial statements of the Town are presented in conformity with generally accepted accounting principles. The audit must be performed by an independent firm of licensed certified public accountants. In accordance with this requirement, we submit for your information and review, the Annual Comprehensive Financial Report of the Town for the year ended December 31, 2025.

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

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

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

PROFILE OF THE TOWN

Castle Rock is located in Douglas County along Interstate 25 approximately halfway between Denver and Colorado Springs. Castle Rock encompasses approximately 37.42 square miles and serves a population estimated at 88,201 residents. The Town's location, view of the mountains, mesas and the "small town feel" make Castle Rock a desirable location for residential development.

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

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

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

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

LOCAL ECONOMY

Sales taxes provide approximately 69.3 percent of the Town's General Fund revenues. Sales taxes are used to support ongoing services such as police, fire, parks, open space, municipal court, and general governmental services. The major sources of sales taxes within the Town include a retail outlet mall, the promenade shopping and dining center, home improvement stores and grocery stores. The Town is the county seat for Douglas County and the site of the Douglas County School District Office. These two governments along with the Town are among the top three employers within the Castle Rock area. Because of its close proximity to both Denver and Colorado Springs, many of the Castle Rock residents commute to these two cities to work.

Growth, primarily in the area of single-family residential homes, continues to have a major impact on the Town's economy. The Town issued permits for 559 new residential units (single family 261 and multi-family 298) and approved 180,980 square feet of nonresidential development in 2025. The Town assesses impact fees, which are collected when a building permit is issued. Impact fees are used to pay for growth-related improvements to parks and recreation, fire, police, transportation and general municipal facilities. These fees are used solely for growth related costs and cannot be used to provide new services or amenities. In addition to impact fees, the Town collects system development fees for the development of water resources, water, and wastewater infrastructure. Like impact fees, these fees are collected when a building permit is issued. These fees are used for the construction of utility infrastructure that is necessary as a result of growth.

LONG-TERM FINANCIAL PLANNING

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

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

RELEVANT FINANCIAL POLICIES

In November, 1992, Colorado voters approved a State Constitutional Amendment, TABOR, the general purpose of which is to restrain government growth (as measured by revenues) without a vote of the local citizens. In November 2021, the voters approved a 10-year "TABOR timeout," which allows the Town to use excess revenues from 2021 through 2030 solely for police, fire protection, emergency medical services, roads and other transportation purposes. TABOR further requires emergency reserves of at least 3 percent of fiscal year spending (excluding bonded debt service). Town's management has implemented policies and procedures to ensure compliance with the provisions of TABOR.

MAJOR INITIATIVES

The Town of Castle Rock has seven main strategic priorities. The Town has made significant achievements in each of these areas as noted below:

Manage Town finances conservatively - The Town continued to experience strong economic growth during 2025. Sales tax revenues increased approximately 15.5 percent compared to 2024, reflecting continued strength in the local economy as well as the increase due to the voter approved 0.2 percent public safety tax. However, revenues from development permits slowed further in 2025, resulting in reduced development-related revenue available capital projects. Staff continues to closely monitor this trend and anticipates revenues will increase over the next several years as planned development activity moves forward.

Ensure outstanding public safety - In November 2024, voters approved an additional 0.2 percent sales tax dedicated to public safety initiatives. During 2025, the Town added ten fire and rescue positions and eleven police positions, including two school resource officers, one patrol sergeant, four patrol officers, one detective, one animal welfare supervisor, one traffic officer, and one dispatcher. These additions enhance the Town's ability to provide high-quality emergency response and public safety services to the community.

Secure our water future - Castle Rock Water continued to advance long-term water sustainability initiative by installing advanced metering infrastructure adhead of schedule and implementing updated landscape criteria and ultra-high-efficiency toilet requirements. The Town also implemented new strormwater criteria and maintained progress toward its long-range water plan, with approximately 30 percent of the Town's 2025 water supply sourced from renewable water resources.

Enhance our roads - The Town completed $18 million in annual pavement maintenance improvements and intiated construction activities on Fifth Street and Crowfoot Valley Road. Progress also continued on the Crystal Valley Interchange project, including the opening of the Crystal Valley Parkway bridge over Interestate 25, improving regional mobility and transportation infrastructure.

Maintain strong parks and recreation - The Town completed renovations at Centennial Park and advanced the master plan for the Lost Canyon Ranch Open Space. Construction also began on the Castle Rock Sports Center, further expanding recreational opportunities and community amenities for residents.

Support economic development - The Town continued to pursue strategic economic development intitiatives during 2025 through agreements intended to attract future employment opportunities, expand the Town's tax base, and maintain a strong and diverse business environment.

Preserving community character - The Town remained committed to preserving Castle Rock's unique community character through thoughtful planning, stewardship of open spaces, and continued investment in amenities and services that support the Town's high quality of life and long-term vision for the community. In 2025, the Town established a Youth Commission and funded public art programs as approved by Town Council.

AWARDS AND ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Town of Castle Rock the Certificate of Achievement for Excellence in Financial Reporting for its 2024 Annual Comprehensive Financial Report. The Certificate of Achievement is a prestigious national award that is the highest form of recognition in the area of governmental accounting and financial reporting. The attainment of this award represents a significant accomplishment by the Town. In order to receive this award, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfies both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year. This is the thirty-fifth consecutive year that the Town has received this award.

The Town was also an honored recipient of an award from the GFOA for its eigth submission of the 2024 PAFR (Popular Annual Financial Report). This report is specifically designed to be readily accessible and easily understandable to the general public without a background in public finance.

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

Sincerely,

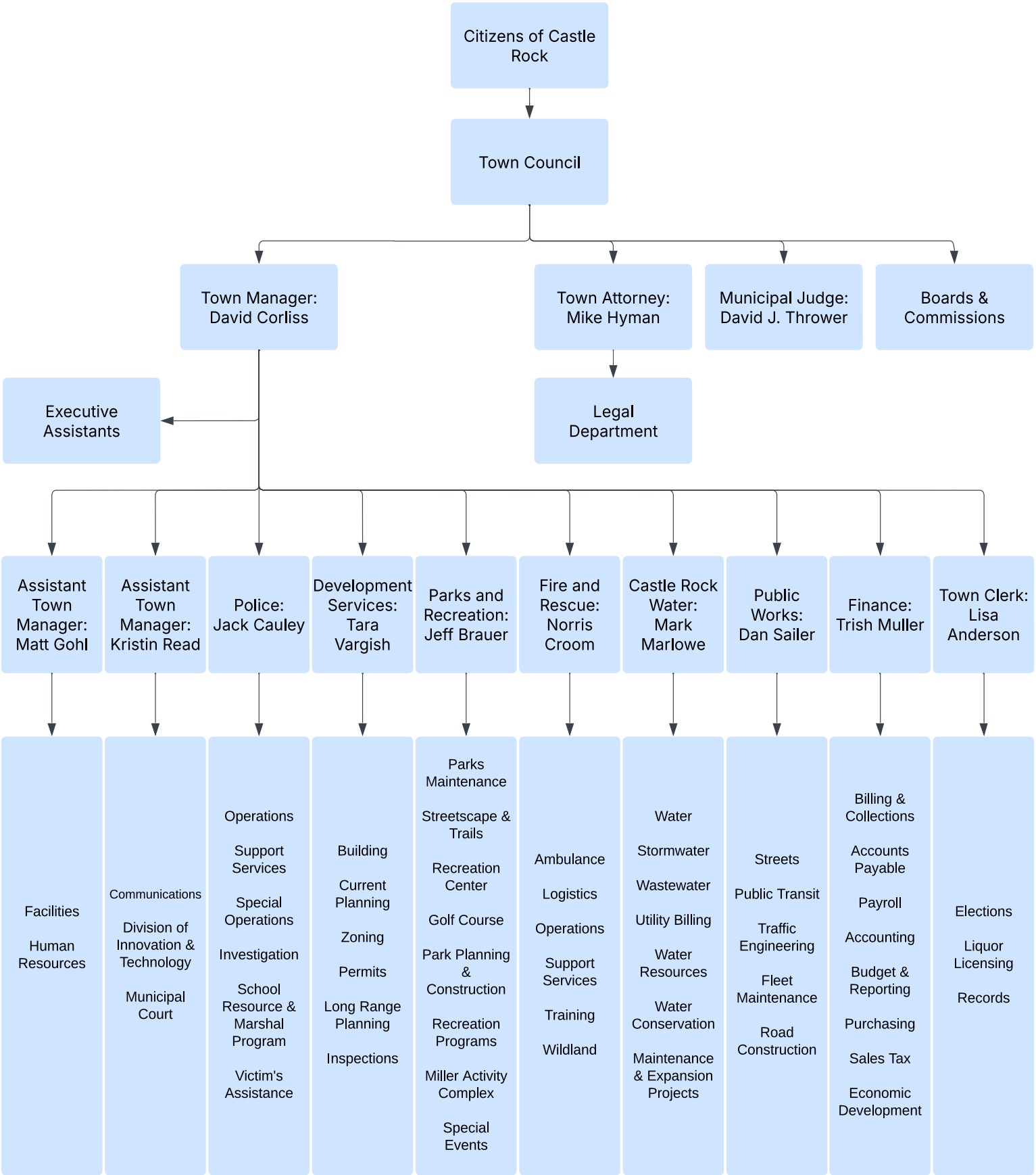




David L. Corliss
Town Manager

Trish Muller, CPA
Finance Director

Organization Chart
Town of Castle Rock, Colorado
December 31, 2025



Town of Castle Rock, Colorado
Directory of Town Officials
As of December 31, 2025

Town Council

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

Appointed Officials

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

Executive Leadership

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

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Town of Castle Rock
Colorado

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

December 31, 2024

Christopher P. Morrill

Executive Director/CEO



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FINANCIAL SECTION

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Required Supplementary Information

Combining and Individual Fund Statements and Schedules

Independent Auditor's Report

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town of Castle Rock (the Town), as of and for the year ended December 31, 2025, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Town, as of December 31, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Plum Creek Water Reclamation Authority, a joint venture of the Town, which represent 26%, and 27% respectively, of the assets and net position of the Wastewater Enterprise Fund and 4% and 5%, respectively, of the assets and net position of the Town's business-type activities as of December 31, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for Plum Creek Water Reclamation Authority, is based solely on the report of the other auditors. We also did not audit the financial statements of the Castle Rock Downtown Development Authority or the Miller's Landing Improvement District, which together represent the aggregate discretely presented component units of the Town. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Castle Rock Downtown Development Authority and the Miller's Landing Business Improvement District, is based solely on the reports of the other auditors.

Basis for Opinions

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

Correction of Error

As discussed in Note 21 to the financial statements, certain errors related to interfund activity as of December 31, 2024, were discovered by management of the Town during the current year. Accordingly, a restatement has been made to the Transportation, Transportation Capital, Conservation Trust, and Parks fund balances as of January 1, 2025 to correct the error. Our opinions are not modified with respect to that matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Town's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Schedules for the General fund and each major special revenue fund, Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Contributions – FPPA Statewide Defined Benefit Plan, Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Contributions – FPPA Statewide Hybrid Plan, and Schedule of the Proportionate Share of the Net Pension Liability (Asset) and Contributions – Volunteer Fire Department Pension Plan, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining fund financial statements, other 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 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining fund financial statements and the individual budgetary comparison schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 11, 2026 on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.

Ede Bailly LLP

Denver, Colorado
June 11, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the Town of Castle Rock (Town), Colorado, we offer the readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the year ended December 31, 2025 We encourage readers to consider the information presented here in conjunction with additional information contained in the Notes to the Basic Financial Statements and our Letter of Transmittal, which can be found in the Introductory Section of the Town's Annual Comprehensive Financial Report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at December 31, 2025 by $1.7 billion (*net position*). Of this amount, $249.1 million (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by $100.2 million or 6.2 percent.
- As of December 31, 2025, the Town's governmental funds reported combined ending fund balances of $226.5 million, an increase of $85.6 million from 2024.
- The Town's long-term liabilities totaled $183.3 million at the end of 2025. The $63.9 million or 53.5 percent increase from 2024 was primarily due the issuance of approximately $75.0 million in COPs to fund the construction of Castle Rock Sports Center, offset by the payment of annual debt service.
- On December 31, 2025, the unassigned fund balance for the General Fund was $38.1 million, which consisted of three-months cash reserves of $18.9 million to cover cash flow requirements and unappropriated funds of $19.1 million.

OVERVIEW OF FINANCIAL STATEMENTS

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

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



TOWN-WIDE FINANCIAL STATEMENTS



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

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

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

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

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

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

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

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

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

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

PROPRIETARY FUNDS

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

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

FIDUCIARY FUNDS

These funds are used to account for resources held by the Town for the benefit of parties outside of the Town government. Fiduciary activities are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. As of December 31, 2025, the Town's fiduciary activities include the following: one Pension Trust Fund and four custodial funds including the Add-on PIF Fund, Special District Fund, Use Tax Fund and Authority Development Fee Fund.

REQUIRED SUPPLEMENTARY INFORMATION AND SUPPLEMENTAL INFORMATION

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

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

TOWN-WIDE FINANCIAL ANALYSIS

The chart below shows a summary comparison of the Town's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position for 2025 and 2024. Based on that comparison, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources (net position) by $1.7 billion at the close of 2025. Net position may serve over time as a useful indicator of the Town's financial position.

NET POSITION
DECEMBER 31, 2025 and 2024
(In thousands)

	2025			2024		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
ASSETS						
Current and other assets	$ 299,317	$ 195,383	$ 494,699	$ 219,130	$ 203,219	$ 422,349
Capital assets	638,395	834,995	1,473,390	583,877	791,569	1,375,446
Total assets	937,712	1,030,377	1,968,089	803,007	994,788	1,797,795
DEFERRED OUTFLOWS						
Pension related amounts	10,413	-	10,413	11,755	-	11,755
Loss on refundings	430	83	513	513	141	654
Total deferred outflows	10,843	83	10,926	12,268	141	12,409
LIABILITIES						
Long-term liabilities	113,353	69,991	183,345	43,655	75,822	119,477
Other liabilities	46,615	19,531	66,146	49,729	12,103	61,832
Total liabilities	159,968	89,523	249,491	93,384	87,925	181,309
DEFERRED INFLOWS						
Pension related amounts	2,159	-	2,159	2,601	-	2,601
IREA capital credit	1,144	-	1,144	959	-	959
Property tax	1,872	-	1,872	1,849	-	1,849
Leases	1,538	2,063	3,600	749	2,142	2,891
Total deferred inflows	6,712	2,063	8,775	6,158	2,142	8,300
Net Position						
Net investment in capital assets	595,848	759,198	1,355,045	540,299	713,708	1,254,007
Restricted	116,615	-	116,615	63,067	-	63,067
Unrestricted	69,412	179,677	249,089	112,368	191,153	303,521
Total net position	$ 781,874	$ 938,875	$ 1,720,749	$ 715,733	$ 904,861	$ 1,620,594



The largest portion of the net position, $1.4 billion (79.0 percent), is reflected in the Town's investment in capital assets (e.g., land, buildings, machinery and equipment and infrastructure) less any related outstanding debt used to acquire those assets. The Town uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves are not liquidated to pay these liabilities.

An additional portion of the Town's net position, $116.6 million (6.8 percent), represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position, $249.1 million (14.5 percent), consists primarily of accumulated development fees that will be used to fund infrastructure needs caused by growth, accumulated rates and fees that will be used to fund the long term water plan, and Town and management designated reserves for Business-Type Activities (operating, capital, revenue stabilization, and catastrophic failure).

At the end of 2025, the Town reported positive balances in all three categories of net position, both for the Town as a whole as well as for its separate governmental and business-type activities.
The Town's net position increased $100.2 million during 2025. There was a $66.1 million increase in the net position for governmental activities due primarily to cash and asset contributions for various capital projects as well as an 15.4 percent increase in total sales tax revenue over 2024. Total net position of the business-type activities increased $34.0 million. This increase was largely the result of system development fees of $20.7 million due to continued growth in the community and cash contributions as well as developer contributions for various capital projects that are curreently in progress and contributed infrastructure from developers of $12.3 million in the utilities enterprise funds.

Downtown Castle Rock serves as a gathering place for residents and visitors alike, offering vibrant public spaces, local businesses, community events, and opportunities to connect throughtout the year.



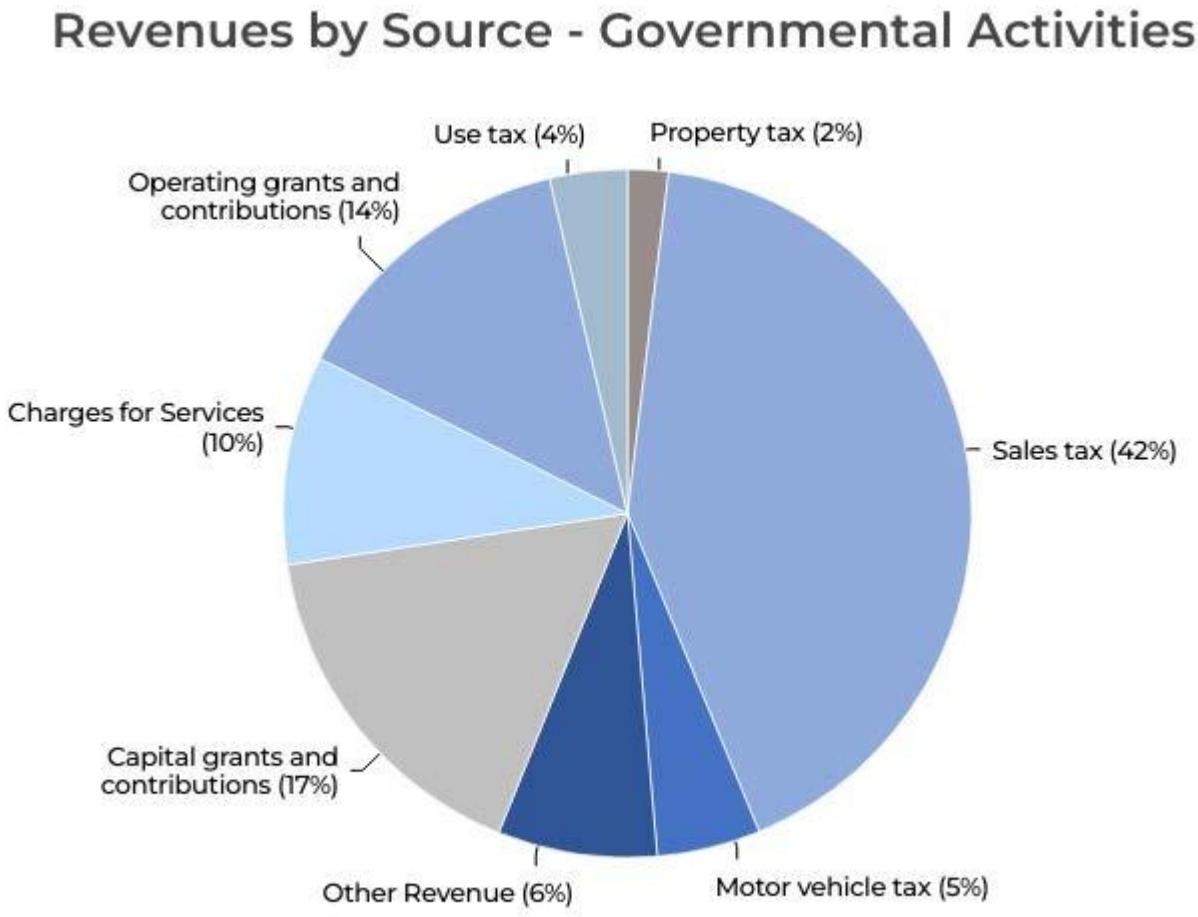
2025 AND 2024 CHANGES IN NET POSITION
(in thousands)

	2025			2024		
	Governmental activities	Business- type activities	Total	Governmental activities	Business- type activities	Total
REVENUES						
Program revenues						
Charges for services	$ 20,214	$ 73,456	$ 93,671	$ 23,417	$ 69,304	$ 92,721
Operating grants and contributions	13,321	(100)	13,221	12,252	50	12,302
Capital grants and contributions	49,479	34,314	83,793	53,873	44,092	97,965
General revenues						
Property taxes	3,948	-	3,948	3,860	-	3,860
Sales taxes	86,241	4,470	90,711	74,620	3,966	78,586
Use taxes	7,496	296	7,792	6,701	284	6,985
Motor vehicle taxes	10,035	604	10,639	9,805	619	10,424
Other revenues	15,408	10,338	25,746	11,836	7,171	19,007
Total revenues	206,143	123,378	329,521	196,364	125,486	321,850
EXPENSES						
General government	23,366	-	23,366	23,416	-	23,416
Public safety	54,516	-	54,516	46,086	-	46,086
Public works	46,726	-	46,726	40,871	-	40,871
Culture and recreation	12,813	-	12,813	12,891	-	12,891
Interest on long- term debt	2,313	-	2,313	1,054	-	1,054
Bond issuance cost	556	-	556	-	-	-
Water	-	24,693	24,693	-	24,885	24,885
Water Resources	-	19,169	19,169	-	21,882	21,882
Stormwater	-	7,667	7,667	-	7,921	7,921
Wastewater	-	14,551	14,551	-	13,172	13,172
Other non-major enterprises	-	22,995	22,995	-	22,147	22,147
Total expenses	140,291	89,075	229,366	124,318	90,007	214,325
Increase in net position before transfers	65,852	34,303	100,155	72,045	35,479	107,524
Transfers	290	(290)	-	145	(145)	-
Increase in net position	66,141	34,013	100,155	72,190	35,334	107,524
Net position - January 1	715,733	904,861	1,620,594	643,543	869,528	1,513,071
Net position - December 31	$ 781,874	$ 938,875	$ 1,720,749	$ 715,733	$ 904,861	$ 1,620,594

Colorado Golfers selected Red Hawk Ridge Golf Course as the Best Denver Region Course - Public / Private Resort for the third consecutive year.



GOVERNMENTAL ACTIVITIES. The following chart shows the governmental activities revenues by source. Sales taxes provide 42.0 percent of the total revenues of the governmental activities. Program revenues including charges for services and grants and contributions provide 41.0 percent of revenues in the governmental activities. Only 2.0 percent of the revenues of the governmental activities are provided by property taxes.



Governmental activities increased the Town's net position by $66.1 million. Key elements of this change are as follows:

General Revenues

- Sales taxes increased by $12.1 million or 15.4 percent in 2025 due to an additional 0.2 percent voter approved public safety tax, inflationary factors, increasing consumer confidence and commercial growth within the Town

- Use taxes increased by $0.8 million or 11.5 percent in 2025 due to an additonal 0.2 percent voter approved public safety tax offset by a continued slowdown in building throughout the community attributable to increased interest rates as well as slow growth in consumer confidence.

Charges for Services

- Public Works charges for services revenue decreased approximately $2.5 million (33.8 percent) in 2025, primarily due to lower impact fee revenue associated with reduced development activity. Single-family permits issued declined to 261 in 2025, compared to 415 in 2024, resulting in lower development-related fee collections.
- Culture and Recreation charges for services revenue decreased approximately $1.3 million (25.0 percent) in 2025, primarily due to a decline in impact fee revenue of approximately $1.0 million. In addition, the Town hosted fewer paid special events during the year, resulting in a reduction of approximately $180,000 in special event and beverage sales revenue.

Operating Grants and Contributions

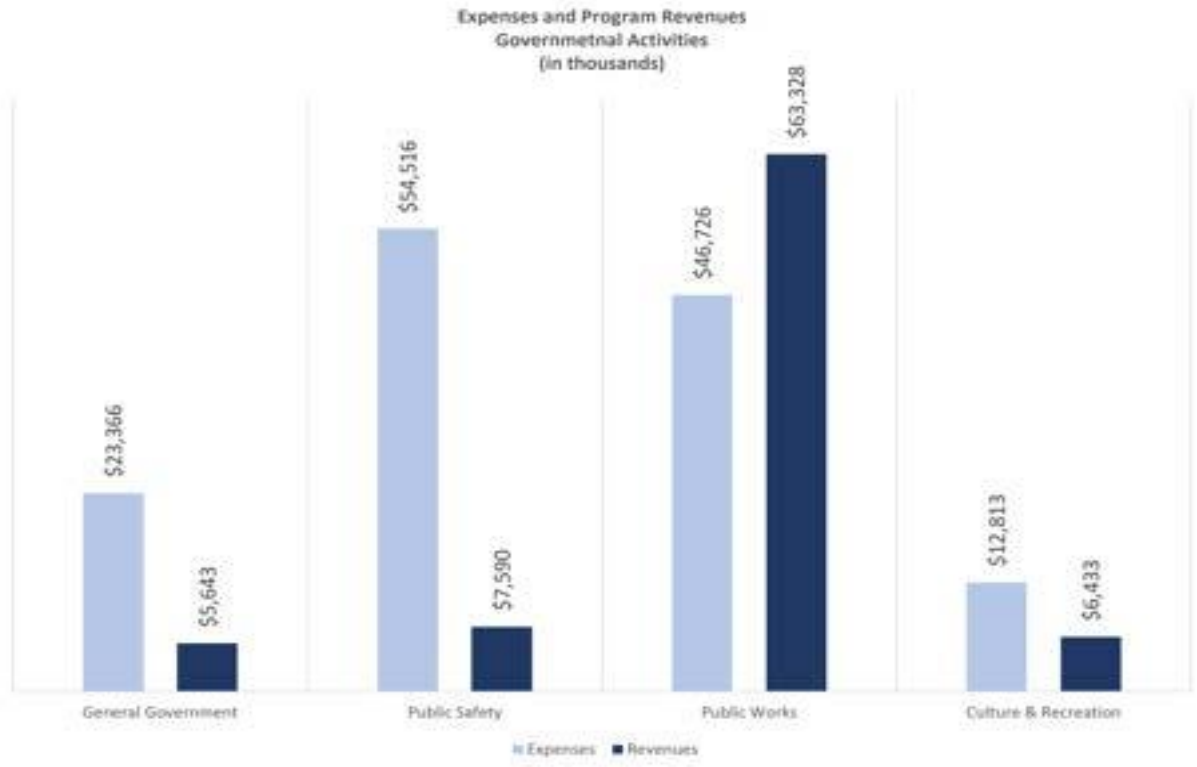
- No significant variances were noted in operating grants and contributions. Revenue remained relatively consistent between 2024 and 2025.

Capital Grants and Contributions

Capital grants and contributions can vary significantly from year to year based on the timing, funding sources, and progress of capital projects.

- Public Works capital grants and contributions increased in 2025 primarily due to continued construction of the Crystal Valley Interchange project. Douglas County contributed approximately $15.0 million toward the project in 2025, compared to no revenue recognized from this source in 2024. Federal grant revenue associated with the project remained relatively consistent, decreasing approximately $1.0 million (13.0 percent) from the prior year. Developer contributions increased approximately $4.5 million (20.0 percent) as project construction progressed.
- Culture and Recreation capital grants and contributions decreased approximately $11.9 million (89.0 percent) in 2025. The decrease was primarily attributable to one-time funding received in 2024 for the acquisition of the Lost Canyon Ranch Open Space property, including approximately $3.0 million from Great Outdoors Colorado (GOCO) and nearly $8.0 million contributed by Douglas County.

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



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

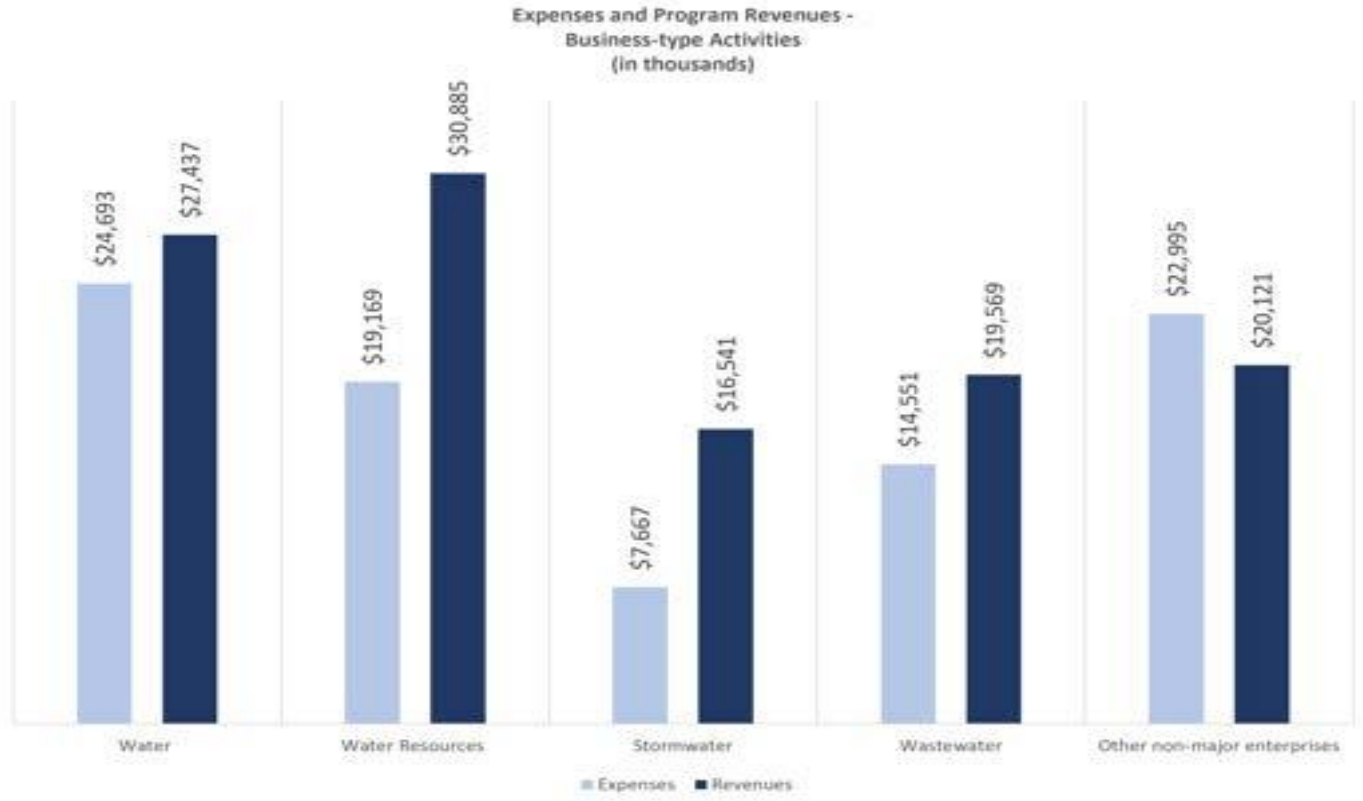
Castle Rock was recognized as the 6th Safest City in Colorado by Safewise for both 2024 and 2025.



BUSINESS-TYPE ACTIVITIES. Business-type activities increased the Town's net position by $34.0 million, accounting for 34.0 percent of the total growth in the Town's net position. Key elements of this increase are as follows:

The change in net position in business-type activities resulted primarily from Water, Water Resources, Stormwater and Wastewater Fund system development fees of $20.7 million to be used for future capital projects and contributed cash and infrastructure from developers of $12.3 million.

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



FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

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

As of December 31, 2025, the governmental funds reported combined ending fund balances of $226.5 million, which was an increase of $85.6 million from 2024. Of the $226.5 million, the unassigned balance is $37.2 million or 16.4 percent, which is available to spend at the Town's discretion. The unassigned balance includes $18.9 million in three-month cash reserves to cover cash flow requirements for the General Fund. The remaining fund balance of $189.3 million, consists of fund balance that otherwise has constraints. These constraints include:

$11.5 million in non-spendable funds due to the nature of prepaid and long-term receivables, $110.8 million in restricted funds due to revenues restricted for a specific purpose of which portions are not yet designated for a specific project, $49.4 million in committed funds for spending determined by the Town Council, and $17.6 million in assigned funds for future planned intentions.

The General Fund is the chief operating fund of the Town, which includes three subsidiary funds; the Economic Development Fund, the Parking Fund, and the TABOR Excess Fund. At the end of 2025, fund balance of the General Fund was $77.6 million, of which $38.1 million was unassigned. As a measure of the General Fund's liquidity, unassigned fund balance represents 48.2 percent of the General Fund expenditures of $79.0 million.The General Fund balance increased by $15.3 million during 2025.

General Fund fund balance increased approximately $15.3 million in 2025, compared to an increase of $4.8 million in 2024. The increase was primarily attributable to significantly lower capital outlay expenditures and increased transfers from other funds. Capital outlay expenditures decreased approximately $14.4 million, or 88.0 percent, because 2024 included the acquisition of the Lost Canyon Ranch Open Space property, a one-time expenditure that did not recur in 2025.

Although total General Fund revenues decreased approximately $1.0 million, or 1.1 percent, due primarily to the nonrecurrence of intergovernmental revenues and contributions received in 2024 for the Lost Canyon Ranch acquisition, the Town continued to experience strong growth in economically sensitive revenues. Sales tax revenues increased approximately $6.5 million, or 11.5 percent, while use tax revenues increased approximately $304,000, or 21.0 percent, reflecting continued economic activity, inflationary factors, and consumer spending within the Town.

Public safety expenditures increased approximately $5.4 million, or 11.5 percent, reflecting the Town's continued investment in public safety services. However, transfers into the General Fund increased approximately $3.7 million, primarily due to revenues generated by the voter-approved 0.2 percent public safety sales tax, which helped offset these additional costs. Overall, the increase in fund balance was driven by strong recurring tax revenues, increased transfers supporting public safety operations, and the absence of the significant one-time capital acquisition expenditures incurred in the prior year.

At the end of 2025, total fund balance of the Transportation Fund was $19.0 million. Of this amount, $104.4 thousand is non-spendable funds due to prepaids, and $18.9 million is committed by Town Council for future projects. Fund balance for the Transportation Fund decreased $190.2 thousand in 2025. Overall, the Transportation Fund revenues increased slightly by $3.0 million or 9.5 percent in 2025.

The Transportation Capital Fund had a total fund balance of $33.3 million at the end of 2025, $3.7 million more than at the end of 2024 as a result of increased capital expenses related to the Crystal Valley Interchange. These funds were included in restricted fund balance in prior years as the Town was accumulating the funding for the project, which started in 2024 and is anticipated to be completed in 2027. The entirety of the Transportation Capital Fund balance is identified as restricted for a certain purpose.

The Parks and Recreation Capital Fund had a total fund balance of $76.4 million at the end of 2025, $59.9 million more than at the end of 2024 as a result of increased debt proceeds related to the Castle Rock Sports Center. These funds were included in restricted fund balance for the funding of the project, which started in 2025 and is anticipated to be completed in 2027.

Non-major governmental funds, which rely heavily on growth revenues, saw ending fund balances of $20.2 million in 2025, $5.6 million more than at the end of 2024.

PROPRIETARY FUNDS. Unrestricted net position of the combined enterprise funds at the end of 2025 were $178.9 million. The unrestricted net position consists largely of development impact fees that will be used to fund infrastructure needs caused by growth, rates and fees that will be used to fund the long-term water plan and Town and management designated reserves for Business-Type Activities (operating, capital, revenue stabilization, and catastrophic failure). There was no restricted net position at the end of 2025. Net position for enterprise funds increased in 2025 by $33.8 million with $3.2 million from Water, $17.1 million from Water Resources, $4.1 million from Stormwater, $6.6 million from Wastewater. Net position in the other non-major enterprise funds (Golf, Development Services, and Community Center) increased by $2.8 million in 2025.



Charges for services coupled with capital grants, and contributions exceeded expenses and transfers by $21.3 million. In addition, leases, lease interest, investment earnings and sales taxes contributed another $12.5 million resulting in the increase to net position of $33.8 million.

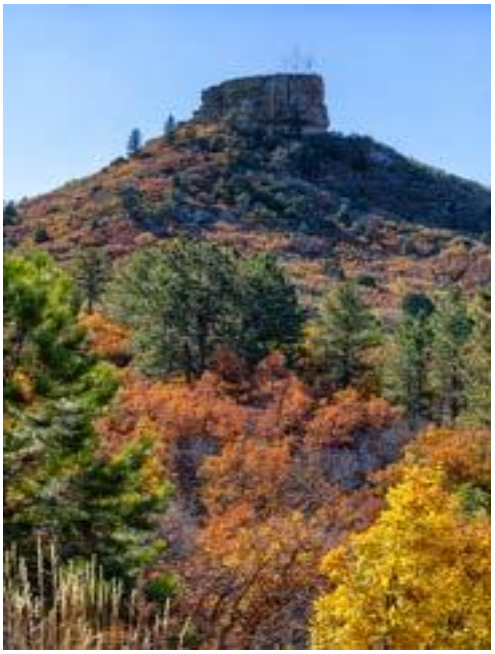
CAPITAL ASSETS
(net of depreciation)
(In thousands)

	Govermental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 100,906	$ 100,192	$ 24,342	$ 24,219	$ 125,249	$ 124,411
Easements	8,292	7,748	23,777	19,197	32,069	26,945
Right of Ways	19,792	16,528	244	244	20,037	16,772
Artwork	291	273	-	-	291	273
Water Rights	-	-	128,094	128,094	128,094	128,094
Water Rights Definite Life	-	-	48,965	49,545	48,965	49,545
Buildings and Improvements	68,444	71,147	53,620	55,222	122,064	126,369
Machinery and Equipment	16,118	12,887	15,007	11,843	31,125	24,730
Infrastructure	247,045	242,789	345,180	339,104	592,225	581,893
Other Structures and Improvements	40,722	43,595	26,075	37,291	66,796	80,886
Construction in Progress	136,785	88,718	169,689	126,808	306,474	215,526
Total	$ 638,395	$ 583,877	$ 834,995	$ 791,569	$ 1,473,389	$ 1,375,446

CAPITAL ASSET AND DEBT ADMINISTRATION

The Town's investment in capital assets for its governmental and business-type activities as of December 31, 2025, amounts to $1.5 billion (net of accumulated depreciation). This investment in capital assets includes land, water rights, buildings and improvements, machinery and equipment, infrastructure (roads, highways, bridges, water and sewer systems), and construction in progress.

MAJOR CAPITAL ASSET EVENTS DURING 2025 INCLUDED:



- Continued preservation of the historical Cantril School, turning it into a vibrant arts and cultural facility
- Continued progress toward a future Interstate 25 interchange at Crystal Valley Parkway as well as widening projects for 5th Street, Wolfensberger and Crowfoot Valley Road.
- Completed improvements at Highway 86 and 5th Street.
- Continued adaptation of the 681-acre Lost Canyon Ranch Open Space
- Began construction of the Castle Rock Sports Development Center
- Continued WISE infrastructure design and construction
- Construction of the Castle Rock Reservior expansion
- Completed reconstruction of the Diversion & Stream Stabilization for East Plum Creek
- Continued design of the Sedalia Life Station and Force Main on Hwy 85
- Design of the Front Street to Downtown Waterline
- Design of Fire Station 156

Additional information concerning the Town's capital assets can be found in the Notes to the Basic Financial Statements on page(s) 73-74

LONG-TERM DEBT

OUTSTANDING DEBT

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenue Bond	$ 20,449,583	$ 22,229,258	$ 61,643,736	$ 66,875,231	$ 82,093,319	$ 89,104,489
Certificates of participation	85,198,725	14,776,426	-	-	85,198,725	14,776,426
Notes payable	-	-	5,595,000	6,625,000	5,595,000	6,625,000
Total	$ 105,648,308	$ 37,005,684	$ 67,238,736	$ 73,500,231	$ 172,887,044	$ 110,505,915

The town has no general obligation bonds outstanding

At the end of 2025, the Town had total long-term debt outstanding of $172.9 million. Of this amount, there were no general obligation bonds outstanding. There were revenue bonds of $82.1 million secured by specific revenue sources and $85.2 million in certificates of participation. The remainder of the debt $5.6 million consists of notes payable agreements.

The Town's total long-term debt increased by $62.4 million or 56.5 percent in 2025, due to the issuance of approximately $75.0 million in Certificates of Participation for the construction of the Sports Center, offset by scheduled annual principal payments.

Additional information on the Town's long-term debt can be found in the Notes to the Basic Financial Statements on page(s) 75-79.

GENERAL FUND BUDGETARY HIGHLIGHTS

Unspent capital project appropriations do not automatically carry over into the new year, but unspent amounts are re-appropriated in the following year. The increase in total expenditures of $5.4 million between the total "original" budgets and the "final" amended budgets for the General Fund, excluding subsidiary funds, was in part due to carryforward of previously unspent capital items totaling $2.7 million and supplemental appropriations totaling $2.7 million, which included funds for the purchase of an ambulance and a reserve engine for Fire and Rescue, as well as increased funding for various operating needs. The largest components of the capital carryforward in the General Fund were $.9 million for Lost Canyon site improvements, $0.3 million for building improvements to the historic Cantril School in the downtown area, and $0.8 million for annual trail improvements.

When comparing budgeted to actual expenditures in the General Fund and subsidiary Economic Development Fund, Parking Fund, and TABOR Excess Fund there were positive variances of $14.3 million, $2.4 million, $71 thousand, and $420 thousand respectively. For the General Fund, this was made up of $8.9 million or 62.3 percent in capital expense budget that will be re-appropriated in 2026, $3.1 million or 21.5 percent in personnel expenses, $530 thousand or 3.7 percent in supplies, $1.8 million or 12.5 percent in services and other expenses such as software maintenance, utility costs, vehicle repairs, and contingencies. For the Economic Development Fund, the $2.4 million is for economic development opportunities that have not yet come to fruition in 2025 and will be re-appropriated in a future year. For the Parking Fund, the $71 thousand positive variance was attributable to unspent maintenance and other costs associated with the public parking spaces. For the TABOR Excess Fund, the $420 thousand positive variance was attributable to unspent funds in services and other for the Wildfire prevention project, these funds will be re-appropriated in 2026.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

In the development of the 2026 Budget the Town considered the following factors:

The Town experienced an increase in growth during 2025 as compared to 2024 with the issuance of permits for 559 new residential units (261 single-family and 298 multi-family) and 233,987 square feet of nonresidential development (180,980 square feet of commercial/retail, 25,567 square feet of office space, and 27,440 square feet of industrial development). For the 2026 budget, the Town budgeted 300 new residential units, 110 multi-family units, and roughly 180,000 square feet of commercial development.

In November 2024, voters approved a 0.2 percent increase in the Town sales and use tax to fund 40 additional public safety personnel between 2025 and 2029. This dedicated revenue stream will be accounted for in the Public Safety Fund and transferred into the General Fund to supplement funding for public safety purposes.

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

Existing rates and fees are set pursuant to Town Council-approved schedules or policies. The 2026 budget includes a 5.0 percent increase to the Water Fund volumetric and fixed monthly service charges, an 8.0 percent increase in the Water Resources Fund fixed monthly service charge, a 5.0 percent increase in the Stormwater Fund fixed monthly service charge, and a 0.5 percent change to the Wastewater Fund volumetric and fixed

monthly service charges. Inflationary increases are planned for all other development impact fees, as previously approved by Council.

Golf green fees increased 3.5 percent, or approximately $4.00 on average, for most rounds.

The 2026 budget provides for $70 million in capital improvements. This includes the following significant projects:

- Continued building and grounds improvements at the historic Cantril School
- Phased development of the Lost Canyon Open Space
- Turf replacement at Bison Park
- Replacement of maintenance equipment at the Red Hawk Ridge Golf Course
- Fitness equipment and sign replacement at the Recreation Center
- Construction of a new Fire Station to serve the Castle Oaks, Terrain, Liberty Village, and Cobblestone Ranch neighborhoods
- Construction of a Park and Ride near the Crystal Valley Interchange
- Continued construction of the Crystal Valley Interchange
- Construction of roundabout at Crystal Valley and W. Loop Rd.
- Development of various intersection traffic control improvements
- Continue implementation of advanced metering infrastructure as part of a five-year capital plan to upgrade the Town's metering infrastructure
- Continue a complete overhaul of Castle Rock Water's supervisory control and data acquisition system (SCADA) as part of a ten-year capital improvement program to implement master plan recommendations
- Continue focus on rehabilitation and replacement of aging water and sewer infrastructure
- Construct a new raw water pipeline from the South Well Field to the Meadows Water Treatment Plant to increase peaking capacity by up to 2 million gallons per day
- Continue progress in the long-term water plan on the WISE Platte Valley Water Partnership and Chatfield Reallocation Projects
- Continue construction to double the advanced treatment system capacity at the Plum Creek Water Purification Facility
- Continue capital projects to do critical stormwater-related stabilization projects in the major drainage ways with completion of the Paintbrush Park Pond and Stream Stabilization Project
- Implement the Highway 85 sewer project using American Rescue Plan Act (ARPA) funds
- Fund the design and construction to rehabilitate an aging sewer lift station
- Continue planning, design and upgrade projects to rehabilitate and improve the Escavera sewer system
- Replacement and additions to the Town vehicle and equipment fleet

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

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

CRGOV.COM/FINANCIALREPORTS

TOWN OF CASTLE ROCK COLORADO

@CRgov



Basic Financial Statements

Town-wide Financial Statements

Fund Financial Statements

Notes to the Basic Financial Statements



Town-wide Financial Statements

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
ASSETS				
Cash and cash equivalents	$ 212,163,286	$ 72,713,601	$ 284,876,887	$ 1,440,062
Investments	51,453,078	64,698,531	116,151,609	-
Cash held in escrow	3,718,081	261,771	3,979,852	-
Receivables				
Property taxes	1,871,986	-	1,871,986	266,637
Sales taxes	10,109,628	535,517	10,645,145	-
Accounts, net of allowance	5,912,339	5,509,081	11,421,420	915
Leases	1,653,523	2,246,143	3,899,666	-
Notes	9,674,535	5,897,039	15,571,574	-
Accrued interest	217,895	-	217,895	-
Long term receivable	1,144,286	-	1,144,286	-
Internal balances	(246,292)	246,292	-	-
Prepaid items	1,644,305	498,204	2,142,509	-
Inventory	-	100,626	100,626	-
Capital assets				
Land	100,906,340	24,342,365	125,248,705	-
Water rights	-	201,103,935	201,103,935	-
Artwork	291,433	-	291,433	-
Right of way	19,792,176	244,469	20,036,645	-
Easements	8,292,061	23,777,215	32,069,276	-
Construction in progress	136,784,495	169,688,656	306,473,151	14,823,482
Buildings and improvements	98,023,698	73,406,168	171,429,866	116,010
Infrastructure	494,751,054	556,571,809	1,051,322,863	-
Other structures and improvements	95,388,240	35,187,997	130,576,237	-
Machinery and equipment	56,145,402	29,150,426	85,295,828	-
Accumulated depreciation	(371,979,898)	(278,478,435)	(650,458,333)	(79,666)
Leased Buildings	-	-	-	50,631
Accumulated amortization	-	-	-	(10,126)
Restricted cash and cash equivalents	-	500,815	500,815	2,119,772
Investment in joint venture	-	42,174,980	42,174,980	-
Total assets	937,711,651	1,030,377,205	1,968,088,856	18,727,717
DEFERRED OUTFLOWS OF RESOURCES				
Pension related amounts	10,413,268	-	10,413,268	-
Loss on refundings	429,936	82,933	512,869	-
Total deferred outflows of resources	10,843,204	82,933	10,926,137	-

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

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Primary Government			
	Governmental Activities	Business-Type Activities	Total	Component Units
LIABILITIES				
Accounts payable	19,554,612	13,338,942	32,893,554	40,933
Retainage payable	3,258,947	2,958,652	6,217,599	-
Accrued liabilities	374,041	197,482	571,523	365,200
Deposits	3,811,778	2,594,387	6,406,165	3,030
Unearned revenues	19,615,618	442,001	20,057,619	-
Noncurrent liabilities				
Due within one year	5,306,174	6,907,583	12,213,757	439,218
Due beyond one year	108,047,036	63,083,803	171,130,839	34,221,164
Total liabilities	159,968,206	89,522,850	249,491,056	35,069,545
DEFERRED INFLOWS OF RESOURCES				
Pension related amounts	2,158,550	-	2,158,550	-
IREA capital credit	1,144,286	-	1,144,286	-
Property tax	1,871,986	-	1,871,986	266,637
Leases	1,537,632	2,062,624	3,600,256	-
Total deferred inflows of resources	6,712,454	2,062,624	8,775,078	266,637
NET POSITION				
Net investment in capital assets	595,847,595	759,197,518	1,355,045,113	(9,056,608)
Restricted for parks and open space	1,872,376	-	1,872,376	-
Restricted for emergencies	3,265,673	-	3,265,673	21,789
Restricted for public safety and transportation	626,112	-	626,112	-
Restricted for capital projects	110,849,138	-	110,849,138	-
Restricted for debt service	-	-	-	102,425
Restricted for other purposes	1,526	-	1,526	-
Unrestricted	69,411,775	179,677,146	249,088,921	(7,676,071)
Total net position	$ 781,874,195	$ 938,874,664	$ 1,720,748,859	$ (16,608,465)

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

Town of Castle Rock, Colorado
Statement of Activities
Year Ended December 31, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary Government				
Governmental activities				
General government	$ 23,337,189	$ 5,410,271	$ 192,646	$ 40,433
Public safety	54,544,534	5,909,871	1,700,881	-
Public works	46,726,829	4,914,981	10,397,254	48,015,879
Culture and recreation	12,812,962	3,979,316	1,030,542	1,423,003
Interest and fiscal charges	2,313,433	-	-	-
Bond issuance cost	556,053	-	-	-
Total governmental activities	140,291,000	20,214,439	13,321,323	49,479,315
Business-type activities				
Water	24,693,080	20,625,216	-	6,812,076
Water resources	19,168,543	15,661,383	-	15,224,109
Stormwater	7,667,289	4,585,850	-	5,071,349
Wastewater	14,550,622	12,496,969	-	7,072,281
Other non-major enterprises	22,995,360	20,086,748	-	34,199
Total business-type activities	89,074,894	73,456,166	-	34,214,014
Total primary government	$ 229,365,894	$ 93,670,605	$ 13,321,323	$ 83,693,329
Component Units	5,089,482	86,842	-	-
General Revenues				
Property				
Sales				
Use				
Lodging				
Motor vehicle				
Other				
Intergovernmental revenues				
Unrestricted investment earnings				
Other revenues not restricted for a purpose				
Transfers				
Total general revenues and transfers				
Change in net position				
Net position (deficit) - January 1				
Net position (deficit) - December 31				

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

Net (Expense) Revenue and Changes in Net Position			
Primary Government			Component Unit
Governmental Activities	Business-type Activities	Total	Component Units
$ (17,693,839)	$ -	$ (17,693,839)	$ -
(46,933,782)	-	(46,933,782)	-
16,601,285	-	16,601,285	-
(6,380,101)	-	(6,380,101)	-
(2,313,433)	-	(2,313,433)	-
(556,053)	-	(556,053)	-
(57,275,923)	-	(57,275,923)	-
-	2,744,212	2,744,212	-
-	11,716,949	11,716,949	-
-	1,989,910	1,989,910	-
-	5,018,628	5,018,628	-
-	(2,874,413)	(2,874,413)	-
-	18,595,286	18,595,286	-
$ (57,275,923)	$ 18,595,286	$ (38,680,637)	$ -
			(5,002,640)
3,947,637	-	3,947,637	355,085
86,241,137	4,469,500	90,710,637	-
7,495,803	296,196	7,791,999	-
661,825	-	661,825	-
10,035,158	603,852	10,639,010	-
6,954,559	-	6,954,559	250,850
-	-	-	225,654
7,477,096	7,029,371	14,506,467	137,841
314,430	3,308,930	3,623,360	195
289,772	(289,772)	-	-
123,417,417	15,418,077	138,835,494	969,625
66,141,494	34,013,363	100,154,857	(4,033,015)
715,732,701	904,861,301	1,620,594,002	(12,575,450)
$ 781,874,195	$ 938,874,664	$ 1,720,748,859	$ (16,608,465)



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Fund Financial Statements

GOVERNMENTAL FUNDS

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

MAJOR FUNDS

General Fund

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

Transportation Fund

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

Transportation Capital Fund

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

Parks and Recreation Capital Fund

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

NON-MAJOR FUNDS

Other Governmental Funds

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

Special Revenue Funds

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

Capital Project Funds

Municipal Facilities Capital
Fire Capital
Police Capital
General Long Term Planning

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
BALANCE SHEET
DECEMBER 31, 2025

	General	Transportation	Transportation Capital	Parks and Recreation Capital	Other Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	$ 44,362,668	$ 11,623,013	$ 39,320,852	$ 5,427,991	$ 26,372,363	$ 127,106,887
Investments	18,009,078	5,300,911	20,472,286	65,928,985	2,866,421	112,577,681
Cash held in Escrow	-	-	-	-	3,718,081	3,718,081
Receivables						
Property taxes	1,586,580	-	-	-	285,406	1,871,986
Sales taxes	7,559,884	2,040,319	-	-	509,425	10,109,628
Accounts, net	3,516,245	1,399,458	842,927	13,401	125,196	5,897,227
Note receivable	500,000	-	-	9,392,430	-	9,892,430
Leases	-	-	-	-	1,653,523	1,653,523
Prepaid items	1,501,718	104,398	-	-	9,067	1,615,183
Loans to other funds	14,090,192	4,000,000	-	-	52,436	18,142,628
Total assets	$ 91,126,365	$ 24,468,099	$ 60,636,065	$ 80,762,807	$ 35,591,918	$ 292,585,254
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 4,546,707	$ 1,850,458	$ 5,241,877	$ 4,343,161	$ 2,431,815	$ 18,414,018
Retainage payable	7,703	230,613	3,020,631	-	-	3,258,947
Deposits	3,811,778	-	-	-	-	3,811,778
Unearned revenues	2,049,499	3,289,526	9,592,240	-	3,758,306	18,689,571
Loans from other funds	1,552,382	-	8,700,000	-	7,365,693	17,618,075
Total liabilities	11,968,069	5,370,597	26,554,748	4,343,161	13,555,814	61,792,389
Deferred inflows of resources						
Property taxes	1,586,580	-	-	-	285,406	1,871,986
Unavailable fund resources	12,269	135,912	732,037	-	-	880,218
Leases	-	-	-	-	1,537,632	1,537,632
Total liabilities and deferred inflows of resources	13,566,918	5,506,509	27,286,785	4,343,161	15,378,852	66,082,225
Fund balances						
Nonspendable	11,324,236	104,398	-	-	35,480	11,464,114
Restricted	3,891,785	-	33,349,280	67,114,314	6,493,759	110,849,138
Committed	15,947,446	18,857,192	-	-	14,571,320	49,375,958
Assigned	8,311,771	-	-	9,305,332	26,023	17,643,126
Unassigned	38,084,209	-	-	-	(913,516)	37,170,693
Total fund balances	77,559,447	18,961,590	33,349,280	76,419,646	20,213,066	226,503,029
Total liabilities, deferred inflows of resources and fund balances	$ 91,126,365	$ 24,468,099	$ 60,636,065	$ 80,762,807	$ 35,591,918	$ 292,585,254

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

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION DECEMBER 31, 2025

Total governmental funds - fund balances	$ 226,503,029
Amounts reported for governmental activities in the Statement of Net Position are different from governmental fund balances because:	
Net capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Less $15,766,998 internal service fund capital assets.	622,628,005
Long-term receivables related to regulatary activities do not provide current financial resources until received and therefore are not recorded in the funds.	1,144,286
Internal service funds are used by management to charge the costs of insurance, employee benefits, vehicle replacement, and other activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position, net of the amount allocated to business-type activities.	36,887,908
Deferred outflows of resources, related to the loss on refundings is amortized over future reporting periods and is not recorded in the funds.	429,936
Deferred outflows of resources of $10,413,268 and inflows of resources of ($2,158,550), related to pension activity, that represent acquisition or consumption of net position that applies to future reporting periods and therefore are not reported in the funds.	8,254,718
Revenues associated with long-term receivables related to regulatory activities are not recognized in the fund statements until expended for the intended purpose. These revenues are reported as deferred inflows of resources in the governmental statement of net position.	(1,144,286)
Long-term liabilities, including bonds payable, capital leases, compensated absences and accrued interest payable are not due and payable in the current period and therefore are not reported in the governmental funds.	(113,257,223)
Net pension liabilities are not due and payable in the current period and therefore not reported in the funds.	(452,396)
Deferred inflows of resources related to unavailable fund resources are recognized as revenue in the Townwide financial statements.	880,218
Net position of the governmental activities	$ 781,874,195

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

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	General	Transportation	Transportation Capital	Parks and Recreation Capital	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes						
Property	$ 1,713,348	$ -	$ -	$ -	$ 2,234,289	$ 3,947,637
Sales	63,741,703	17,028,867	-	-	5,470,567	86,241,137
Use	1,748,652	2,257,351	1,763,710	-	1,726,090	7,495,803
Motor vehicle	6,149,215	3,335,803	-	-	550,140	10,035,158
Lodging	-	-	-	-	661,825	661,825
Other taxes	3,766,396	-	-	-	29,422	3,795,818
Charges for services	4,686,144	-	-	-	468,986	5,155,130
Development impact fees	-	-	4,629,006	2,800,794	1,433,039	8,862,839
Management fees	4,684,903	-	-	-	-	4,684,903
Licenses and permits	162,074	-	-	-	345,500	507,574
Fines and forfeitures	309,090	-	-	-	-	309,090
Investment earnings	1,909,455	840,424	1,808,924	2,026,517	284,513	6,869,833
Lease interest	-	-	-	-	66,466	66,466
Intergovernmental	2,142,868	10,997,548	22,660,005	-	781,494	36,581,915
Contributions and donations	82,871	-	27,039,627	-	227,110	27,349,608
Leases	70,767	-	-	-	66,744	137,511
Other	763,151	71,036	7	52	51,176	885,422
Total revenues	91,930,637	34,531,029	57,901,279	4,827,363	14,397,361	203,587,669
EXPENDITURES						
Current						
General government	18,508,238	-	-	-	2,832,572	21,340,810
Public safety	52,436,331	-	-	-	-	52,436,331
Public works	-	31,296,709	34,065	-	-	31,330,774
Culture and recreation	5,799,642	-	-	758,205	1,806,619	8,364,466
Capital outlay	1,955,022	1,547,094	49,747,455	12,830,000	2,681,951	68,761,522
Debt service						
Principal	-	760,000	905,000	5,050,000	-	6,715,000
Interest	339,400	145,000	357,749	1,319,264	-	2,161,413
Bond issuance cost	-	-	-	556,053	-	556,053
Total expenditures	79,038,633	33,748,803	51,044,269	20,513,522	7,321,142	191,666,369
Excess (deficiency) of revenues over (under) expenditures	12,892,004	782,226	6,857,010	(15,686,159)	7,076,219	11,921,300
OTHER FINANCING SOURCES (USES)						
Debt Proceeds	-	-	-	75,570,473	-	75,570,473
Transfers in	5,427,327	45,000	-	-	1,614,110	7,086,437
Transfers out	(3,019,363)	(1,017,420)	(142,500)	-	(4,758,625)	(8,937,908)
Total other financing sources (uses)	2,407,964	(972,420)	(142,500)	75,570,473	(3,144,515)	73,719,002
Net change in fund balances	15,299,968	(190,194)	6,714,510	59,884,314	3,931,704	85,640,302
Fund balances - January 1, as previously reported	62,259,479	16,151,784	29,634,770	18,235,332	14,581,362	140,862,727
Adjustments (Note 21)	-	3,000,000	(3,000,000)	(1,700,000)	1,700,000	-
Fund balances - January, as restated	62,259,479	19,151,784	26,634,770	16,535,332	16,281,362	140,862,727
Fund balances - December 31	$ 77,559,447	$ 18,961,590	$ 33,349,280	$ 76,419,646	$ 20,213,066	$ 226,503,029

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

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

Net change in fund balances total government funds	$	85,640,302
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay $68,761,522 as an expenditure while in the statement of activities the cost of those assets are capitalized and allocated over the estimated useful lives and reported as depreciation expense ($ 23,269,563). This amount is the net difference between capital outlay and depreciation reported in the current period, less depreciation related to internal service funds.		45,491,959
Contributed assets do not require the use of current financial resources of governmental funds, but are treated as revenues in the statement of activities. In 2025 the Town received capital assets for infrastructure streets (public works) valued at $4,113,890, and land and easements (culture and recreation) valued at $1,160,167.		5,274,057
Loss on disposal of capital assets do not require the use of current financial resources of the governmental funds, but are treated as program expenses in the statement of activities.		(93,392)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt.		(69,770,583)
Internal service funds are used by management to charge the costs of insurance and employee benefits to individual funds, and to provide vehicle repair, maintenance and replacement. The net revenue (expenditures) of the internal service funds is reported with the governmental activities, net of the amount allocated to business-type activities.		6,962,545
Pension related expense reported in the statement of activities do not require the use of current financial resources and therefore are not reported in the funds.		(1,201,904)
Deferred inflows of resources related to unavailable fund resources are not recognized as revenue in the governmental funds.		(6,161,490)
Change in net position of governmental activities	$	66,141,494

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

PROPRIETARY FUNDS

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

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

MAJOR FUNDS

Water Fund

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

Water Resources Fund

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

Stormwater Fund

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

Wastewater Fund

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

NON-MAJOR FUNDS

Other Enterprise Funds

Golf Fund
Community Center Fund
Development Services Fund

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Water	Water Resources	Stormwater	Wastewater
ASSETS				
Current assets				
Cash and cash equivalents	$ 7,966,374	$ 34,397,236	$ 4,654,718	$ 19,396,963
Investments	10,849,192	39,088,801	2,993,122	7,441,350
Cash held in escrow	261,771	-	-	-
Receivables				
Sales taxes	-	-	-	-
Accounts	1,295,264	1,583,489	422,253	2,063,159
Prepaid items	94,910	61,987	32,400	46,216
Inventory	-	-	-	-
Total current assets	20,467,511	75,131,513	8,102,493	28,947,688
Non-current assets				
Capital assets				
Land	3,804,028	9,316,709	4,679,350	947,834
Easements	4,232,474	2,170,083	13,920,521	3,448,037
Right of way	28,024	-	216,445	-
Water rights	89,222,710	111,881,225	-	-
Construction in progress	14,940,175	138,389,334	8,715,029	7,190,985
Buildings and improvements	4,958,831	44,717,141	1,755,087	3,214,525
Infrastructure	261,428,507	62,012,643	115,672,190	117,458,469
Machinery and equipment	11,233,108	11,273,684	394,835	2,935,369
Other structures and improvements	17,593,356	913,868	12,697,846	1,548,156
Accumulated depreciation	(153,991,420)	(25,258,562)	(36,515,222)	(50,944,856)
Total capital assets (net of accumulated depreciation)	253,449,793	355,416,125	121,536,081	85,798,519
Restricted cash and cash equivalents	-	-	-	-
Investment in joint venture	-	-	-	42,174,980
Leases receivable	2,246,143	-	-	-
Notes receivable	-	5,897,039	-	-
Loans to other funds	-	1,552,382	-	3,641,776
Total noncurrent assets	255,695,936	362,865,546	121,536,081	131,615,275
Total assets	276,163,447	437,997,059	129,638,574	160,562,963
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refundings	11,182	-	-	-
LIABILITIES				
Current liabilities				
Accounts payable	1,687,407	7,050,328	420,788	2,981,176
Retainage payable	313,236	2,310,610	220,583	114,223
Accrued interest payable	2,729	183,525	8,952	-
Deposits	2,583,287	-	-	-
Revenue bonds payable-current	655,000	3,505,000	-	-
Notes payable-current	-	-	1,060,000	-
Accrued leave-current	391,614	120,089	113,198	68,751
Unearned revenues	191,050	8,725	56,207	15,226
Total current liabilites	5,824,323	13,178,277	1,879,728	3,179,376
Noncurrent liabilities				
Revenue bonds net unamortized premiums (discounts)	61,992	56,466,745	-	-
Notes payable	-	-	4,535,000	-
Accrued leave	153,827	204,919	168,954	179,224
Loans from other funds	3,641,776	-	-	-
Total noncurrent liabilities	3,857,595	56,671,664	4,703,954	179,224
Total liabilities	9,681,918	69,849,941	6,583,682	3,358,600
DEFERRED INFLOWS OF RESOURCES				
Leases	2,062,624	-	-	-
Net Position				
Net investment in capital assets	251,906,548	288,693,485	115,378,515	85,040,813
Unrestricted	12,523,539	79,453,633	7,676,377	72,163,550
Total net position	$ 264,430,087	$ 368,147,118	$ 123,054,892	$ 157,204,363

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

Other Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
$ 6,298,310	$ 72,713,601	$ 21,412,292
4,326,066	64,698,531	2,519,505
-	261,771	-
535,517	535,517	-
144,916	5,509,081	15,112
262,691	498,204	29,121
100,626	100,626	-
11,668,126	144,317,331	23,976,030
5,594,444	24,342,365	-
6,100	23,777,215	-
-	244,469	-
-	201,103,935	-
453,133	169,688,656	7,395,221
18,760,584	73,406,168	43,590
-	556,571,809	-
3,313,430	29,150,426	34,746,084
2,434,771	35,187,997	-
(11,768,375)	(278,478,435)	(26,417,897)
18,794,087	834,994,605	15,766,998
500,815	500,815	-
-	42,174,980	-
-	2,246,143	-
-	5,897,039	-
-	5,194,158	-
19,294,902	891,007,740	15,766,998
30,963,028	1,035,325,071	39,743,028
71,751	82,933	-
1,199,243	13,338,942	1,140,594
-	2,958,652	-
2,276	197,482	-
11,100	2,594,387	-
470,000	4,630,000	-
-	1,060,000	-
523,931	1,217,583	17,632
170,793	442,001	926,047
2,377,343	26,439,047	2,084,273
485,000	57,013,737	-
-	4,535,000	-
828,142	1,535,066	-
2,076,935	5,718,711	-
3,390,077	68,802,514	-
5,767,420	95,241,561	2,084,273
-	2,062,624	-
18,178,157	759,197,518	15,701,905
7,089,202	178,906,301	21,956,850
$ 25,267,359	$ 938,103,819	$ 37,658,755

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE PROPRIETARY FUNDS STATEMENT OF NET POSITION TO THE STATEMENT OF NET POSITION
DECEMBER 31, 2025

Total enterprise net position	$	938,103,819
Amounts reported for business-type activities in the Statement of Net Position are different from the enterprise funds Net Position because:		
Internal balances between the governmental activities and the business-type activities result from the allocation of the internal service funds profit / loss that are attributable to the business-type activities: water, water resources, stormwater, wastewater, golf, community center and development services.		770,845
Net position of the business-type activities	$	938,874,664

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



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TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

	Water	Water Resources	Stormwater
OPERATING REVENUES			
Charges for services	$ 20,585,758	$ 15,394,534	$ 4,585,850
Fines and forfeitures	340,125	146,521	-
Intergovernmental	(100,000)	-	-
Contributions and donations	-	-	-
Other	57,862	1,262,820	1,898,208
Total operating revenues	20,883,745	16,803,875	6,484,058
OPERATING EXPENSES			
Cost of sales and services	-	-	-
Operations	15,773,492	13,765,786	3,742,390
Net loss from joint venture	-	-	-
Depreciation	9,070,402	3,779,120	3,854,539
Total operating expenses	24,843,894	17,544,906	7,596,929
Operating Income (Loss)	(3,960,149)	(741,031)	(1,112,871)
NON-OPERATING REVENUES (EXPENSES)			
Taxes	-	-	-
Investment earnings	625,713	4,554,759	315,885
Lease interest	101,108	-	-
Leases	121,369	-	-
Gain (loss) on disposal of capital assets	(422,036)	(186,083)	-
Interest expense	(23,043)	(1,581,124)	(124,665)
Agency and other fees	(1,613)	(600)	-
Total non-operating revenues (expenses)	401,498	2,786,952	191,220
Net income (loss) before contributions and transfers	(3,558,651)	2,045,921	(921,651)
CONTRIBUTIONS AND TRANSFERS			
System development fees	2,572,234	15,224,109	1,490,354
Capital asset contributions	4,339,842	-	3,578,680
Capital grants and gifts	-	-	-
Transfers in	-	28,417	-
Transfers out	(115,370)	(225,633)	-
Total contributions and transfers	6,796,706	15,026,893	5,069,034
Change in fund net position	3,238,055	17,072,814	4,147,383
Total net position - January 1	261,192,032	351,074,304	118,907,509
Total net position - December 31	$ 264,430,087	$ 368,147,118	$ 123,054,892

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

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
$ 12,545,939	$ 20,062,756	$ 73,174,837	$ 16,871,693
-	-	486,646	-
-	23,755	(76,245)	-
-	34,199	34,199	-
410,921	17,592	3,647,403	4,270,220
12,956,860	20,138,302	77,266,840	21,141,913
-	-	-	14,413,480
10,609,352	21,876,616	65,767,636	-
678,061	-	678,061	-
3,307,627	987,886	20,999,574	2,728,637
14,595,040	22,864,502	87,445,271	17,142,117
(1,638,180)	(2,726,200)	(10,178,431)	3,999,796
-	5,369,548	5,369,548	-
1,128,373	303,533	6,928,263	758,692
-	-	101,108	-
-	-	121,369	-
(48,970)	-	(657,089)	242,174
-	(77,640)	(1,806,472)	-
-	(300)	(2,513)	-
1,079,403	5,595,141	10,054,214	1,000,866
(558,777)	2,868,941	(124,217)	5,000,662
1,448,739	-	20,735,436	-
4,401,903	-	12,320,425	-
1,192,129	-	1,192,129	-
72,300	-	100,717	2,141,243
-	(49,486)	(390,489)	-
7,115,071	(49,486)	33,958,218	2,141,243
6,556,294	2,819,455	33,834,001	7,141,905
150,648,069	22,447,904	904,269,818	30,516,850
$ 157,204,363	$ 25,267,359	$ 938,103,819	$ 37,658,755

TOWN OF CASTLE ROCK, COLORADO

RECONCILIATION OF THE ENTERPRISE FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED DECEMBER 31, 2025

Change in net position total enterprise funds	$	33,834,001
Amounts reported for business-type activities in the statement of activities are different because:		
Internal balances between the governmental activities and the business-type activities result from the allocation of the internal service funds profit / loss that are attributable to the business-type activities: water, water resources, stormwater, wastewater, golf, community center and development services.		179,362
Changes in net position of business-type activities	$	34,013,363

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



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TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Water	Water Resources	Stormwater
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 22,194,141	$ 16,867,161	$ 6,769,221
Receipts from interfund services provided	-	-	-
Other operating receipts (payments)	(100,000)	-	-
Payments to suppliers	(9,680,596)	(7,654,088)	(1,054,580)
Payments to employees	(6,290,331)	(3,733,385)	(2,383,882)
Net cash provided by (used in) operating activities	6,123,214	5,479,688	3,330,759
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Cash transfers in	-	28,417	-
Cash transfers out	(115,370)	(225,633)	-
Receipts from taxes	-	-	-
Net cash provided by (used in) non-capital financing activities	(115,370)	(197,216)	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
System development fees	2,572,234	15,379,402	1,490,352
Grants for capital purposes	-	-	-
Capital contributions	112,580	-	-
Principal payments received on leases receivable	48,428	-	-
Interest payments received on leases receivable	101,089	-	-
Interfund loans	(1,178,224)	108,714	-
Acquisition of capital assets	(5,579,795)	(35,237,702)	(2,901,840)
Principal paid on bonds, COPs and notes payable	(625,000)	(3,314,999)	(1,030,000)
Interest paid on bonds, COPs and notes payable	(64,000)	(2,368,650)	(126,313)
Bond issue costs and agency fees	(1,613)	(600)	
Proceeds from sale of capital assets	-	-	-
Net cash provided by (used in) capital and related financing activities	(4,614,301)	(25,433,835)	(2,567,801)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	423,838	3,790,487	257,421
Decrease (increase) in equity in pooled investments	(324,168)	(1,298,808)	(99,248)
Net cash provided by (used in) investing activities	99,670	2,491,679	158,173
Net increase (decrease) in cash and cash equivalents	1,493,213	(17,659,684)	921,131
Cash and cash equivalents - January 1	6,734,932	52,056,920	3,733,587
Cash and cash equivalents - December 31	$ 8,228,145	$ 34,397,236	$ 4,654,718
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION			
Unrestricted cash and cash equivalents (including cash held in escrow)	$ 8,228,145	$ 34,397,236	$ 4,654,718
Restricted cash and cash equivalents	-	-	-
Total cash and cash equivalents	$ 8,228,145	$ 34,397,236	$ 4,654,718

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

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
$ 8,472,709	$ 19,864,535	$ 74,167,767	$ 4,599,572
-	-	-	16,871,693
-	-	(100,000)	-
(7,070,018)	(6,636,625)	(32,095,907)	(13,511,212)
(2,626,658)	(14,722,335)	(29,756,591)	(1,033,934)
(1,223,967)	(1,494,425)	12,215,269	6,926,119
72,300	-	100,717	2,141,243
-	(49,486)	(390,489)	-
-	5,342,958	5,342,958	-
72,300	5,293,472	5,053,186	2,141,243
1,448,735	-	20,890,723	-
1,192,129	-	1,192,129	-
-	-	112,580	-
-	-	48,428	-
-	-	101,089	-
4,820,000	(411,822)	3,338,668	-
(4,762,468)	(469,476)	(48,951,281)	(6,454,136)
-	(460,000)	(5,429,999)	-
-	(40,469)	(2,599,432)	-
-	(300)	(2,513)	-
-	-	-	242,174
2,698,396	(1,382,067)	(31,299,608)	(6,211,962)
988,090	222,866	5,682,702	711,811
(219,401)	(138,516)	(2,080,141)	(75,283)
768,689	84,350	3,602,561	636,528
2,315,418	2,501,330	(10,428,592)	3,491,928
17,081,545	4,297,795	83,904,779	17,920,364
$ 19,396,963	$ 6,799,125	$ 73,476,187	$ 21,412,292
$ 19,396,963	$ 6,298,310	$ 72,975,372	$ 21,412,292
-	500,815	500,815	-
$ 19,396,963	$ 6,799,125	$ 73,476,187	$ 21,412,292

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

TOWN OF CASTLE ROCK, COLORADO

PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Water	Water Resources	Stormwater
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES			
Operating income (loss)	$ (3,960,149)	$ (741,031)	$ (1,112,871)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities			
Depreciation	9,070,402	3,779,120	3,854,539
Changes in operating assets and liabilities			
(Increase) decrease in assets			
Accounts receivable	475,534	67,973	840,119
Prepaid items	(28,836)	(12,799)	7,269
Inventory	-	-	-
Investment in joint venture	-	-	-
Increase (decrease) in liabilities			
Accounts payable	244,948	2,131,976	194,815
Accrued leave	(413,547)	259,136	101,842
Unearned revenue	(258,675)	(4,687)	(554,954)
Deposits	993,537	-	-
Total adjustments	10,083,363	6,220,719	4,443,630
Net cash provided by (used in) operating activities	$ 6,123,214	$ 5,479,688	$ 3,330,759
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Contributed infrastructure	$ -	$ -	$ 3,578,680
Payables incurred for purchase of capital assets	-	(6,750,903)	(562,574)
Amortization of premium, discount and deferred loss on refunding	-	(773,114)	
Amortization of deferred inflows - leases	-	-	-
Loss on capital asset disposition	-	-	-
Increase in fair value of investments	203,453	826,449	63,136
Noncash investing, capital and financing activities	$ 203,453	$ (6,697,568)	$ 3,079,242

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

Wastewater	Other Enterprise Funds	Total Enterprise Funds	Governmental Activities Internal Service Funds
$ (1,638,180)	$ (2,726,200)	$ (10,178,431)	$ 3,999,796
3,307,627	987,886	20,999,574	2,728,637
(4,454,475)	(55,471)	(3,126,320)	165,850
(8,284)	(89,376)	(132,026)	(21,788)
-	19,579	19,579	-
678,061	-	678,061	-
714,636	308,361	3,594,736	(99,106)
206,325	276,744	430,500	(10,772)
(29,677)	(202,258)	(1,050,251)	163,502
-	(13,690)	979,847	-
414,213	1,231,775	22,393,700	2,926,323
$ (1,223,967)	$ (1,494,425)	$ 12,215,269	$ 6,926,119
$ 4,401,903	$ -	$ 7,980,583	$ -
(757,715)	(233,497)	(8,304,689)	(14,130)
-	38,267	(734,847)	-
-	-	-	-
-	-	-	-
139,569	85,775	1,318,382	47,247
$ 3,783,757	$ (109,455)	259,429	$ 33,117

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

FIDUCIARY FUNDS

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

PENSION TRUST FUNDS

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

FPPA Fire Volunteers Pension Fund

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

CUSTODIAL FUNDS

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

Custodial Funds

Add-On PIF Fund
Special District Fee
Fund Use Tax Fund
Authority Development Fee Fund

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
DECEMBER 31, 2025

	Pension Trust Fund	Custodial Funds
ASSETS		
Cash and cash equivalents	$ -	$ 558,078
Affiliated local plan pool	956,237	-
Accounts receivable	-	70,518
Total assets	956,237	628,596
LIABILITIES		
Accounts payable	$ -	$ 1,000
Due to organizations and other governments	-	627,596
Total liabilities	-	628,596
NET POSITION		
Restricted for:		
Net position	956,237	-
Total net position	$ 956,237	$ -

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

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

	Pension Trust Fund	Custodial Funds
ADDITIONS		
Contributions:		
Town of Castle Rock	$ 31,000	$ -
State Funding	17,635	-
Total contributions	48,635	-
Investment earnings	118,590	-
Less investment expense	15,950	-
Net investment earnings	102,640	-
Fee and permit collections for organizations and other governments	-	2,103,104
Total additions	151,275	2,103,104
DEDUCTIONS		
Benefits paid to participants or beneficiaries	113,974	-
Payments of fees and permits to organizations and other governments	-	2,057,325
Payments of refunds	-	39,573
Administrative expense	-	6,206
Total deductions	113,974	2,103,104
Net increase in fiduciary net position	37,301	-
Net Position - January 1	918,936	-
Net Position - December 31	$ 956,237	$ -

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

COMPONENT UNITS

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

Castle Rock Downtown Development Authority (CRDDA)

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

Miller's Landing Business Improvement District (BID)

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

Town of Castle Rock, Colorado
Statement of Net Position
Component Units
December 31, 2025

	Castle Rock Downtown Development Authority	Miller's Landing Business Improvement District	Total
Assets			
Cash and cash equivalents	$ 1,404,397	$ 35,665	$ 1,440,062
Receivables			
County Treasurer	-	915	915
Property taxes	234,921	31,716	266,637
Capital assets			
Construction in progress	-	14,823,482	14,823,482
Buildings and improvements	116,010	-	116,010
Accumulated depreciation	(79,666)	-	(79,666)
Leased buildings	50,631	-	50,631
Accumulated amortization	(10,126)	-	(10,126)
Restricted cash and cash equivalents	-	2,119,772	2,119,772
Total assets	$ 1,716,167	$ 17,011,550	$ 18,727,717
Liabilities			
Accounts payable	$ 40,933	$ -	$ 40,933
Accrued liabilities	-	365,059	365,059
Customer deposits	3,030	-	3,030
Accrued interest on notes	141	-	141
Due within one year	-	430,000	430,000
Due beyond one year	-	34,185,719	34,185,719
Lease Liability Due within one year	9,218	-	9,218
Lease Liability Due beyond one year	35,445	-	35,445
Total liabilities	88,767	34,980,778	35,069,545
Deferred Inflows of Resources			
Property Taxes	234,921	31,716	266,637
Total deferred inflows of resources	234,921	31,716	266,637
Net Position			
Net investment in capital assets	34,594	(9,091,202)	(9,056,608)
Restricted for emergency reserves	20,689	1,100	21,789
Restricted for debt service	-	102,425	102,425
Unrestricted (deficit)	1,337,196	(9,013,267)	(7,676,071)
Total net position (deficit)	$ 1,392,479	$ (18,000,944)	$ (16,608,465)

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

Town of Castle Rock, Colorado
Statement of Activities
Component Units
For the Year Ended December 31, 2025

	Castle Rock Downtown Development Authority	Miller's Landing Business Improvement District	Total
EXPENSES	$ 614,960	$ 4,474,522	$ 5,089,482
PROGRAM REVENUES			
Charges for services	36,211	-	36,211
Total program revenues	36,211	-	36,211
Net expenses	(578,749)	(4,474,522)	(5,053,271)
GENERAL REVENUES			
Taxes			
Property taxes	328,651	26,434	355,085
Other taxes	-	250,850	250,850
Intergovernmental revenues	225,654	-	225,654
Investment and interest earnings	47,780	90,061	137,841
Other	195	-	195
Total general revenues	602,280	367,345	969,625
Other Financing Sources			
Other Financing Sources	50,631	-	50,631
Total other financing sources	50,631	-	50,631
Change in Net Position	74,162	(4,107,177)	(4,033,015)
Net position (deficit) - January 1	1,318,317	(13,893,767)	(12,575,450)
Net position (deficit) - December 31	$ 1,392,479	$ (18,000,944)	$ (16,608,465)

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



Notes to the Basic Financial Statements

SUMMARY OF NOTES TO THE BASIC FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies
   A. Financial Reporting Entity
   B. Financial Statement Presentation
   C. Measurement Focus and Basis of Accounting
   D. Cash and Investments
   E. Restricted Assets
   F. Receivables
   G. Inventories
   H. Prepaid Items
   I. Capital Assets
   J. Property Taxes
   K. Leases
   L. Account Payable
   M. Unearned Revenue (Liabilities)
   N. Accrued Compensated Absences
   O. Non-current Liabilities
   P. Fund Balances and Net Position
   Q. Deferred Outflows / Inflows of Resources
   R. Use of Estimates
   S. Adoption of Accounting Principles
   T. Future Changes in Accounting Principles
2. Reconciliation of Town-wide and Fund Financial Statements
3. Deposits and Investments
4. Restricted Assets
5. Notes Receivable
6. Long-Term Receivables
7. Capital Assets
8. Investment in Joint Venture
9. Long-Term Liabilities
10. Fund Balance
11. Pension Plans
12. Deferred Compensation Plans
13. Risk Management
14. Commitments and Contingencies
15. Interfund Transactions
16. Deficit Fund Balance
17. Tax Abatements
18. Discretely-Presented Component Units
19. Related Party Transactions
20. Lessor Leasing Arrangements
21. Correction of an Error in Previously Issued Financial Statements
22. Subsequent Events Disclosure

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

A. Financial Reporting Entity

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

Blended component units

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

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

Discretely presented component units

The Castle Rock Downtown Development Authority (CRDDA) was formed in 2008, under State of Colorado statutes as a quasi-municipal corporation, by the voters of downtown Castle Rock, Colorado to finance, construct and, on occasion, operate various public improvements including streetscape projects, sidewalks, street lighting, street furniture, and public parks owned and maintained by the Town. As a result, the Town directly benefits from the CRDDA's activities. The CRDDA is governed by a seven-member elected Board of Directors pursuant to the provisions of the Colorado Special District Act and consists of property owners, business owners and other representatives of downtown Castle Rock. One of these individuals serves as a liaison to the Castle Rock Town Council and is a member of Council. The operations of the DDA are guided by the 2008 Plan of Development adopted by the board of directors of the CRDDA. The Town approves and certifies the mill levy collected by the CRDDA.

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

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

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

Fiduciary component unit

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

B. Financial Statement Presentation

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

Town-wide financial statements

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

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

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

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

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

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

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

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

Fund Financial Statements

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

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

Governmental Funds

The Town reports the following major governmental funds:

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

The *Transportation Fund* is a special revenue fund that accounts for the accumulation of financial resources and expenditures for the construction, acquisition, installation, repair and maintenance of streets, bridges, sidewalks and public transit and the acquisition of easements and right-of-ways, development of transportation facilities and for the operations of the department responsible for the construction and maintenance of such

facilities. The following revenue sources are committed to the furtherance of transportation projects within the Town of Castle Rock, the maintenance of existing roads and infrastructure and the overall operations of the public works department:

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

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

The *Parks and Recreation Capital* Fund is a capital projects fund that accounts for the planning and construction of reacreational facilities and other capital needs related to recreational services.

Proprietary Funds
The Town reports the following major proprietary funds:

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

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

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

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

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

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

funds and departments. All other revenues in the proprietary funds are reported as non-operating revenues. Operating expenses for proprietary funds include cost of sales and services, administrative expenses and depreciation of capital assets. All other expenses are reported as non-operating.

Fiduciary Funds

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

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

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

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

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

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

C. Measurement Focus and Basis of Accounting

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available within the current period or soon enough thereafter to pay

liabilities of the current period. For this purpose, the Town considers revenues to be available if they are collected within 60 days of the end of the year. The Town reports deferred inflows when the potential revenue does not meet the measurable and available criteria for recognition in the current period. Expenditures are

recorded when the liability is incurred. However, debt service and compensated absences are recorded when the payment is due.

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

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

D. Cash and Investments

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

The Town defines cash equivalents as highly liquid investments with a maturity of three months or less at the date of purchase. The Town has cash in escrow at Douglas County for the Open Space Shareback totaling $3,718,081 and at a third-party company for the construction of enhanced water improvements per a construction escrow agreement between the Town and Crystal Valley Metropolitan District No. 2 Subdistrict.

Investments are reported at fair value except for local government investment pools and the affiliated local plan pool which are reported at the net asset value per share which is determined based upon how the fund is valued (i.e., fair value or amortized cost). Investment income includes increases and decreases in the fair value of investments. Changes in fair value during the year do not necessarily represent trends that will continue; nor is it always possible to realize such amounts, especially in the case of temporary changes in the fair value of investments that the government intends to hold to maturity.

E. Restricted Assets

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

F. Receivables

Receivables are reported net of an allowance for uncollectible accounts, where applicable. The allowance of $68,778 is reported in the General Fund.

G. Inventories

Inventory is maintained in the Golf Fund for resale merchandise. Inventory is valued at cost, which approximates market, using the first in / first-out (FIFO) method. The cost of this inventory is recorded as an expense when consumed rather than when purchased.

H. Prepaid Items

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

I. Capital Assets

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

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

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

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

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

J. Property Taxes

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

K. Leases

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

At the commencement of a lease, the Town initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the

principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the commencement date.

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

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

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

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

L. Accounts Payable

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

	Governmental Activities	Business-type Activities
Vendors	$ 17,507,290	$ 12,424,402
Salaries and benefits	2,047,322	914,540
Total	$ 19,554,612	$ 13,338,942

M. Unearned Revenue (Liabilities)

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

N. Accrued Compensated Absences

The Town allows employees to accumulate unused vacation and sick benefits up to certain maximum hours. A liability is accrued for compensated absences as the benefits are earned if the leave is more likely than not to be used for time off or settled in cash. Accrued compensated absences are recognized as expenses when earned by the employee for the Town-wide statements and the proprietary fund statements. Compensated absences are recognized as expenditures when paid in the governmental fund statements.

Compensated absence liabilities are computed using the regular pay and termination pay rates, as applicable, in effect at year end plus an additional amount for salary-related payments such as social security and Medicare taxes computed using rates in effect at that date.

O. Non-current Liabilities

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

Governmental Funds
For governmental funds, the liability is recorded when payment is due or the resources have been accumulated for payment early in the following year. Proceeds from the issuance of debt are reported in the governmental funds as "other financing sources". Payments of principal on debt are shown as expenditures. In the governmental fund financial statements, bond premiums and discounts, and bond issuance costs, are reported as expenditures of the current period.

Town-wide (governmental and business-type activities) and Proprietary Funds
The Town-wide and proprietary fund financial statements use the economic resources measurement focus. Proprietary funds report long-term liabilities in the fund. Long-term liabilities expected to be repaid by governmental funds are reported in the governmental activities column of the Town-wide statements. Under the economic resources measurement focus, debt issuances are reported as increases in non-current liabilities. Principal payments are shown as decreases in non-current liabilities. The outstanding amounts of non-current liabilities are reported on the statement of net position. Amounts due within the next twelve months are

reported as "due within one year" with the remaining amount being reported as "due within more than one year". Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method.

P. Fund Balance and Net Position

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

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

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

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

Assigned Fund balance – The portion of fund balance set aside for planned or intended actions. The intended use may be expressed by Town Council or other individuals authorized to assign funds to be used for a specific

purpose. Through a resolution, Town Council assigned authority to the Town Manager. In governmental funds other than the general fund, assigned fund balance represents the amount that is not non-spendable, restricted, or committed. This indicates that resources in these funds are, at a minimum, intended to be used for the purpose of that fund.

Unassigned Fund Balance – This is the residual portion of fund balance that does not meet any of the above criteria. The Town will only report a positive unassigned fund balance in the General Fund. In 2016, Town Council approved a reserves policy that required funds to be reserved with the intent of stabilizing revenues which are highly volatile in the event that regular planned revenues do not materialize to the degree anticipated for regular operational needs. Therefore, the Town maintains a cash reserve equal to at least three months of operating expenses in the General Fund to provide for this assurance.

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

Net Position

In the government-wide and proprietary fund financial statements, net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources using the economic resources measurement focus and the accrual basis of accounting. Net Position is reported in three classifications. "Net investment in capital assets" which reflects capital assets (net of accumulated depreciation) reduced by the outstanding amount of the debt that was used to acquire or construct the capital assets.

Restricted net position report amounts legally segregated for a specific use. The remaining net position is reported as unrestricted. When both restricted and unrestricted resources are available for use, it is the Town's practice to use restricted resources first, then unrestricted resources as needed.

Q. Deferred Outflows/Inflows of Resources

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

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

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

R. Use of Estimates

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

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

S. Adoption of New Accounting Standard

As of January 1, 2025, the Town adopted GASB Statement No. 102, *Certain Risk Disclosures*, which requires management to evaluate whether there are risks related to a government's vulnerabilities due to certain concentrations or constraints that require disclosure. There was no effect of the implementation of this standard on disclosures during the year.

T. Future Changes in Accounting Principles

The Governmental Accounting Standards Board (GASB) has issued statements not yet implemented by the Town. The statements which might impact the Town are as follows:

GASB Statement No. 103, *Financial Reporting Model Improvements* will improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement also addresses certain application issues. The statement will be effective for the Town with its year ending December 31, 2026.

GASB Statement No. 104, *Disclosure of Certain Capital Assets* will provide users with essential information about certain types of capital assets. The statement will be effective for the Town with its year ending December 31, 2026.

The Town's management has not yet determined the effect these statements will have on the Town's financial statements.

2. RECONCILIATION OF TOWN-WIDE AND FUND FINANCIAL STATEMENTS

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

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

The details of the $113,257,223 difference relating to governmental activities long-term liabilities are as follows:

2016 Sales and use tax bonds	$	2,520,000
2020 Sales and use tax bonds		17,645,000
2020 Certificates of participation		8,485,000
2025 Certificates of participation		72,550,000
Accrued leave, excluding internal service funds of $17,632		7,234,874
Debt premiums and discounts		4,448,308
Accrued interest payable		374,041
Net adjustments - long-term liabilities	$	113,257,223

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

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

The details of the $(69,770,583) difference are as follows:

Principal payments	
2016 Sales and use tax bonds	$ 760,000
2013 Certificates of participation	5,050,000
2020 Sales and use tax bonds	905,000
2025 Sports Development Center	(72,550,000)
Issuance of debt premiums and discounts	(3,020,473)
Amortization of bond premium	212,848
Amortization of refunding loss	(83,195)
Accrued interest on debt	(281,673)
Net increase in accrued leave	(763,090)
Net adjustments to governmental fund revenues and expenditures - debt related activities	$ (69,770,583)

3. DEPOSITS AND INVESTMENTS

A reconciliation of the Town's deposit and investment balances as of December 31, 2025 by type to the Statement of Net Position is below.

Summary of Deposit and Investment Balances

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Carrying value				
Petty Cash	$ 15,517	$ 7,310	$ -	$ 22,827
Deposits	50,048,115	12,960,830	558,078	63,567,023
Investments	213,552,732	124,944,807	956,237	339,453,776
Total	$ 263,616,364	$ 137,912,947	$ 1,514,315	$ 403,043,626
Included in the Statement of Net Position				
Cash and cash equivalents	$ 212,163,286	$ 72,713,601	$ -	$ 284,876,887
Investments	51,453,078	64,698,531	956,237	117,107,846
Restricted cash and cash equivalents	-	500,815	558,078	1,058,893
Total	$ 263,616,364	$ 137,912,947	$ 1,514,315	$ 403,043,626

A. Inherent Risks

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

1) Custodial Credit Risk

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

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

2) Concentration of Credit Risk

State statutes do not limit the amount the Town may invest in one issuer. At December 31, 2025, the Town's investments in any one issuer greater than five percent of the Town's total investments include the following:

Issuer	Percent of total investments
U.S. Treasury	15.25%
Federal Home Loan Banks (FHLB)	6.74%
Federal Farm Credit Banks (FFCB)	6.08%

B. Town Deposit and Investment Policies

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

Deposits

Deposits are exposed to custodial credit risks if they are not covered by depository insurance and the deposits are uncollateralized. The Town's deposit and investment policy allows Town funds to be deposited in any state or national bank located in Colorado, which is a member of the Federal Deposit Insurance Corporation (FDIC) and which complies with the Colorado Public Deposit Protection Act (PDPA). The PDPA requires that all local governments deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The fair value of the collateral must be at least equal to 102 percent of the uninsured public deposits. The PDPA has the effect of perfecting the security interest in the name of the local government agency. At December 31, 2025, the Town's cash deposits had a carrying value of $63,567,023 and a corresponding bank balance of $63,783,913 of which $1,002,796 was FDIC insured and $62,781,117 was collateralized by securities held by the pledging financial institution's trust department or agent in the Town's name.

Investments

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

The Town's Investment Policy allows the following investments:

1) United States Treasury obligations, federal agency securities and federal instrumentality securities, S&P or Moody rated AAA with maturities not exceeding five years.

2) Prime commercial paper issued on U.S. companies and denominated in U.S. currency, S&P rated A-1, with maturities not exceeding 270 days.

3) Eligible bankers' acceptances, with maturities not exceeding 180 days, where banks meet certain capital and rating requirements.

4) Repurchase agreements and flexible repurchase agreements meeting certain criteria.

5) Local government investment pools, with a constant net asset value of $1 per share, S&P rated AAAm, and which invests under the Colorado Revised Statutes dealing with local government deposits and is overseen by the Colorado Securities Commissioner.

6) Time certificates of deposit or savings accounts, with maturities not exceeding one year, meeting both the FDIC and PDPA requirements.

7) Money market funds, which are registered, with a constant weighted average maturity and S&P rating of AAAm. No more than 25 percent of the Town's aggregated portfolio may be invested in this type of investment.

8) Corporate bonds issued by a corporation or bank with a final maturity not exceeding three years from the date of purchase, rated at least AA- by S&P.

9) Municipal bonds with a final maturity not exceeding five years from the date of purchase and rated at least A by S&P for general obligation or revenue obligation debt of this state or any political subdivision, institution, department, agency, instrumentality, or authority of this state. Such obligations of any other governmental entity shall be rated at least AA by S&P.

The Town's investments on December 31, 2025 were as follows:

		INVESTMENT MATURITIES (In Years)			
Investment Type	**Standard & Poors Rating**	**Less Than 1**	**1-5**	**Fair Value**	**Net Asset per Share**
U.S. Treasuries	AA+	$ 11,571,730	$ 40,040,173	$ 51,611,903	$ -
U.S. Agencies	AA+	17,052,526	39,218,785	56,271,311	-
Corporate Bonds	AA - AA-	6,745,049	1,523,346	8,268,395	-
Investment Pools					
Local Government Investment Pool *	AAAmmf	222,345,929	-	-	222,345,929
Pension Trust Affiliated Local Plan Pool	NR	956,237	-	-	956,237
Total		$ 258,671,471	$ 80,782,304	$ 116,151,609	$ 223,302,166

*Included as part of cash and cash equivalents for financial reporting purposes.
** CSAFE is only rated by Fitch

Local Government Investment Pool – At December 31, 2025 the Town had $222,345,929 invested in the Colorado Surplus Asset Fund Trust (CSAFE) cash fund. This is an investment vehicle established by State Statute for local government entities in Colorado to pool surplus funds. Investment objectives and strategies focus on safety, liquidity, transparency, and competitive yields through investment in a diversified portfolio of short-term marketable securities. The pool does not have any limitations or restrictions on participant withdrawals. The State Securities Commissioner administers and enforces the requirements of creating and operating the pool. The pool operates similarly to a money market fund and each share is equal in value to $1.00. The pool is rated AAAmmf by Fitch. Investments of the pool are limited to those allowed by State Statutes. A designated custodial bank provides safekeeping and depository services in connection with the direct investment and withdrawal functions. Substantially all securities are held by the Federal Reserve Bank in the account maintained for the custodial bank. The custodian's internal records identify the investments owned by the participating governments. Information regarding the CSAFE's financial statements is available at its website www.csafe.org.

Pension Trust Affiliated Local Plan Pool – At December 31, 2025 the Town had $956,237 invested in FPPA's Long-Term Investment Pool of the Fire & Police Members' Benefit Investment Fund and fall under the complete investment authority of the FPPA Board of Directors. The Long-Term Pool is designed primarily for open plans with a longer time horizon, higher risk tolerance, and lower liquidity needs. On a monthly basis shared revenues and expenses are allocated to each affiliate. The Plan is included in FPPA's annual issued audited financials. Additional information regarding the investments and associated risk may be obtained in this report at www.fppaco.org.

Fair Value

The Town categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are valued using matrix pricing techniques; Level 3 inputs are significant unobservable inputs. The Town has the following recurring fair value measurements as of December 31, 2025:

		Fair Value Measurements Using		
Investment by Fair Value Level	**December 31, 2025**	**Level 1**	**Level 2**	**Level 3**
U.S. Treasuries	$ 51,611,903	$ -	$ 51,611,903	$ -
U.S Agencies	56,271,311	-	56,271,311	-
Corporate Bonds	8,268,395	-	8,268,395	-
Total investments by fair value level	$ 116,151,609	$ -	$ 116,151,609	$ -
Investment Measured at Net Asset Value (NAV)				
Local Government Investment Pool	222,345,929			
Pension Trust Affiliated Local Plan Pool	956,237			
Total investments measured at the NAV	223,302,166			
Total investments	$ 339,453,775			

4. RESTRICTED ASSETS

Restricted Cash and Cash Equivalents

Fund	Purpose	Balance December 31, 2025
Business-type activities		
Golf	2015 Revenue Refunding and Improvement Bonds Debt Service Reserve	$ 500,815
	Total Business-type Activities	$ 500,815
	Total Restricted Cash and Cash Equivalents	$ 500,815

Golf Fund

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

5. NOTES RECEIVABLE

Under an intergovernmental agreement between the Town of Castle Rock and the Consolidated Bell Mountain Ranch Metropolitan District, the Town agreed to provide water services to the Bell Mountain Ranch Subdivisions for the purpose of achieving economies of scale. Per the agreement, system charges totaling $6,354,065 are due from system users in the service area for system development fees and system improvements. The charges are payable over a 30-year period at an annual interest rate of 2.54 percent. Payments are due monthly beginning in January 2024. The balance of the notes receivable at December 31, 2025 is $5,897,039.

Under an agreement between the Town of Castle Rock and CD-ACME, LLC, the Town agreed to advance funds to CD-ACME, LLC for certain construction costs related to Praxis Street improvements, parking and other infrastructure improvements. The principal and interest owed is payable over a 25-year period at an annual interest rate of 4.75 percent. Payments are due semi-annually beginning in November 2028. The balance of the notes receivable at December 31, 2025 is $9,174,535.

Under an economic incentive loan agreement between the Town of Castle Rock and Brinkerhoff Restaurants, LLC, the Town agreed to defer permit fees, land use application fees, system development fees, and development impact fees as well as lend funds for construction and improvements. Per the agreement, the Town will defer $221,366 in development fees and provide $278,634 in cash to Brinkerhoff Restaurants, LLC. The principal and interest owed is payable over a 5-year period at an monthly interest rate of 0.083 percent. Payments are due monthly beginning in January 2026. The balance of the notes receivable at December 31, 2025 is $500,000 .

Notes Receivable to Maturity

	Government-type Activities		Business type Activities
Year	Brinkerhoff Restaurants, LLC	CD-ACME, LLC	Bell Mountain Ranch Subdivision System Users
2026	$ 98,011	$ -	$ 161,983
2027	98,996	-	166,146
2028	99,990	-	170,416
2029	99,728	-	174,795
2030	103,275	139,932	179,287
2031-2035	-	1,595,768	967,957
2036-2040	-	2,017,943	1,098,887
2041-2045	-	2,551,808	1,247,528
2046-2050	-	2,869,084	1,416,274
2051-2052	-	-	313,766
	$ 500,000	$ 9,174,535	$ 5,897,039

6. LONG-TERM RECEIVABLES

The Town reports a long-term receivable in the governmental activities on the Town-wide Statement of Net Position. The receivable relates to an agreement with CORE Electric Cooperative formerly known as Intermountain Rural Electric Association (IREA). The Town is allowed a percentage of the previous year's CORE adjusted gross revenue derived within the Town from the sale of electrical energy to customers other than the Town or any federal, state or local governmental entities after the write-off of uncollectible accounts and correction of bills theretofore rendered. CORE uses this allotment to apply against expenses incurred if the Town deems it necessary to change the location or nature of any CORE facilities to permit the Town to make street or sidewalk improvements, including but not limited to, pole relocations, pole changes and underground conversions. Unused allotments shall be carried over from year to year and will accumulate until used by the Town. The balance at December 31, 2025 is $1,144,286.

7. CAPITAL ASSETS

Changes in Capital Asset Activity for the Year Ended December 31, 2025

	Beginning Balance	Additions	Deletions	Ending Balance
Governmental activities				
Capital assets not being depreciated				
Land	$ 100,191,841	$ 714,499	$ -	$ 100,906,340
Artwork	272,733	18,700	-	291,433
Construction in progress	88,717,692	48,066,803	-	136,784,495
Easements	7,748,233	636,987	(93,159)	8,292,061
Right of way	16,528,108	3,264,068	-	19,792,176
Total capital assets, not being depreciated	213,458,607	52,701,057	(93,159)	266,066,505
Capital assets being depreciated				
Buildings and improvements	97,671,757	440,621	(88,680)	98,023,698
Infrastructure	475,723,792	19,038,052	(10,790)	494,751,054
Other structures and improvements	94,610,452	859,627	(81,839)	95,388,240
Machinery and equipment	51,907,235	7,708,714	(3,470,545)	56,145,404
Total capital assets being depreciated	719,913,236	28,047,014	(3,651,854)	744,308,396
Less accumulated depreciation				
Buildings and improvements	(26,524,682)	(3,078,453)	23,556	(29,579,579)
Infrastructure	(232,935,256)	(14,779,515)	8,183	(247,706,588)
Other structures and improvements	(51,015,004)	(3,733,157)	81,839	(54,666,322)
Machinery and equipment	(39,019,860)	(4,407,075)	3,399,526	(40,027,409)
Total accumulated depreciation	(349,494,802)	(25,998,200)	3,513,104	(371,979,898)
Total capital assets, being depreciated, net	370,418,434	2,048,814	(138,750)	372,328,498
Total governmental activities capital assets, net of accumulated depreciation	$ 583,877,041	$ 54,749,871	$ (231,909)	$ 638,395,003
Depreciation expense charged to functions				
Governmental activities				
General government		$ 1,964,195		
Public safety		787,530		
Public works		15,820,410		
Culture and recreation		4,697,428		
Fleet internal service fund		2,728,637		
Total governmental activities depreciation expense		$ 25,998,200		

7. CAPITAL ASSETS (continued)

Changes in Capital Asset Activity for the Year Ended December 31, 2025

	Beginning Balance	Additions	Deletions	Ending Balance
Business-type activities				
Capital assets not being depreciated				
Land	$ 24,219,144	$ 123,221	$ -	$ 24,342,365
Construction in progress	126,808,001	43,537,745	(657,090)	169,688,656
Easements	19,196,894	4,589,808	(9,487)	23,777,215
Right of way	244,469	-	-	244,469
Water rights	128,094,292	-	-	128,094,292
Total capital assets, not being depreciated	298,562,800	48,250,774	(666,577)	346,146,997
Capital assets being depreciated				
Buildings and improvements	73,174,098	249,338	(17,268)	73,406,168
Infrastructure	536,512,771	20,081,505	(22,467)	556,571,809
Other structures and improvements	44,805,351	(9,617,354)	-	35,187,997
Machinery and equipment	23,007,045	6,149,291	(5,910)	29,150,426
Water rights - definite life	73,009,643	-	-	73,009,643
Total capital assets being depreciated	750,508,908	16,862,780	(45,645)	767,326,043
Less accumulated depreciation				
Buildings and improvements	(17,952,470)	(1,850,419)	17,268	(19,785,621)
Infrastructure	(197,408,613)	(13,984,069)	-	(211,391,915)
Other structures and improvements	(7,513,874)	(1,598,671)	-	(9,112,545)
Machinery and equipment	(11,163,548)	(2,985,641)	5,910	(14,143,279)
Water rights - definite life	(23,464,301)	(580,774)	-	(24,045,075)
Total accumulated depreciation	(257,502,806)	(20,999,574)	23,178	(278,478,435)
Total capital assets, being depreciated, net	493,006,102	(4,136,794)	(22,467)	488,847,608
Total governmental activities capital assets, net of accumulated depreciation	$ 791,568,902	$ 44,113,980	$ (689,044)	$ 834,994,605
Depreciation expense charged to functions				
Business-type activities				
Water		$ 9,070,402		
Water Resources		3,779,120		
Stormwater		3,854,539		
Wastewater		3,307,627		
Golf Course		320,020		
Development Services		149,460		
Community Center		518,406		
Total business-type activities depreciation expense		$ 20,999,574		

8. INVESTMENT IN JOINT VENTURE

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

At December 31, 2025, the Town had an equity interest in PCWRA of $42,174,980. This represents an 86.67% interest in the net position of the PCWRA. During 2025, PCWRA charged the Town $4,530,620 for the treatment of wastewater. The Town also paid to PCWRA $605,594 which represents the Town's share of debt service payments for the previous treatment plant expansion.

Investment balance January 1	$	42,853,041
Net loss from joint venture		(678,061)
Investment balance December 31	$	42,174,980

9. LONG-TERM LIABILITIES

The following is a summary of long-term liabilities activity for the year ended December 31, 2025:

	Changes In Long-Term Liabilities				
	Balance January 1	Net Change	Balance December 31	Due within One Year	Due beyond One Year
Governmental activities					
Bonds payable					
2016 Sales and use tax	$ 3,280,000	$ (760,000)	$ 2,520,000	$ 800,000	$ 1,720,000
2020 Sales and use tax	18,550,000	(905,000)	17,645,000	1,000,000	16,645,000
Certificates of participation					
2013 COPs	5,050,000	(5,050,000)	-	-	-
2020 COPs	8,485,000	-	8,485,000	-	8,485,000
2025 COPs	-	72,550,000	72,550,000	-	72,550,000
Bond/COP premiums & discounts	1,640,683	2,807,625	4,448,308	-	4,448,308
Accrued compensated absences, net	6,500,188	752,318	7,252,506	3,506,174	3,746,332
Net pension liability **	149,173	303,223	452,396	-	452,396
Total governmental activities	$ 43,655,044	$ 69,698,166	$ 113,353,210	$ 5,306,174	$ 108,047,036
Business-type activities					
Bonds payable					
2015 Water & Wastewater	$ 1,280,000	$ (625,000)	$ 655,000	$ 655,000	$ -
2015 Golf Course	1,415,000	(460,000)	955,000	470,000	485,000
2016 Water & Wastewater	31,930,000	(2,460,000)	29,470,000	2,605,000	26,865,000
2022 Water & Wastewater	22,925,000	(855,000)	22,070,000	900,000	21,170,000
Bond premiums & discounts	9,325,231	(831,495)	8,493,736	-	8,493,736
Notes and leases from direct borrowings and direct placements	6,625,000	(1,030,000)	5,595,000	1,060,000	4,535,000
Accrued compensated absences, net	2,322,149	430,501	2,752,650	1,217,583	1,535,066
Total business-type activities	$ 75,822,380	$ (5,830,994)	$ 69,991,386	$ 6,907,583	$ 63,083,803

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

A. Revenue Bonds

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

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

In July 2016, the Town issued $7,405,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2016 at interest rates ranging from 2 percent – 5 percent. The purpose of the 2016 bonds was to refund all of the Town's Sales and Use Tax Revenue Bonds, Series 2008 in the amount of $7,880,000. Principal payments are due annually on June 1 through 2028 commencing June 1, 2018. Interest payments are due semi-annually on June 1 and December 1 commencing December 1, 2016. As of December 31, 2025, future payments of principal and interest total $2,713,250. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35 percent pledged from the General, Transportation and Community Center funds. During the year ended December 31, 2025 revenues of $36,157,840 were available to pay annual debt service of $905,000

In October 2020, the Town issued $18,550,000 of Sales and Use Tax Revenue Refunding Bonds, Series 2020 at interest rates ranging from 1.03 percent – 2.42 percent. The purpose of the 2020 bonds was to reduce the interest rate paid on the Town's debt by refunding a portion of the Town's Sales and Use Tax Revenue Bonds, Series 2013 in the amount of $16,425,000. The purpose of the 2013 bonds was to finance a portion of Castle Rock Parkway. Principal payments are due annually on June 1 through 2035 commencing June 1, 2025. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2021. As of December 31, 2025, future payments of principal and interest total $19,804,275. The bonds are payable solely from the revenue derived from sales and use tax at the rate of 1.35 percent pledged from the General, Transportation and Community Center funds. During the year ended December 31, 2025 revenues of $36,157,840 were available to pay annual debt service of $1,262,749.

The Town issued Water and Wastewater Revenue Bonds in 2006 for $9,665,000 at a 4 percent interest rate to construct water and wastewater system improvements. In May of 2012, the Town issued $11,455,000 at interest rates ranging from 2percent-5percent in Water and Watewater Refunding Bonds. The purpose of the refunding was to reduce the interest rate paid on the previously issued Water and Watewater Revenue Bonds. The 2012 bonds were paid in full in 2023. In July of 2015, the Town issued $5,610,000 at interest rates ranging from 2 percent - 5 percent in Water and Wastewater Refunding Bonds. The purpose of the refunding was to reduce the interest rate paid on the 2006 Water and Wastewater Revenue Bonds. A portion of the 2006 Revenue Bonds totaling $905,000 was not refunded. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. The bonds are payable solely from the net revenues of the Town's Water and Wastewater Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2025, net pledged revenues of $36,272,254 were available to pay annual debt service of $689,000 for the bonds. As of December 31, 2025, future payments of principal and interest on the 2015 bonds total $687,750.

In July 2016, the Town issued $50,635,000 of Water and Sewer Enterprise Revenue Refunding Bonds, Series 2016 at interest rates ranging from 1.5 percent – 5 percent. The purpose of the 2016 bonds was to prepay all of the Town's obligations under its Certificates of Participation, Series 2008 (COPs). The purpose of the COPs was to fund the acquisition of a raw water storage easement in the Reuter-Hess Reservoir owned and operated by Parker Water and Sanitation District and to acquire, construct and install certain other water supply, storage, transmission, and treatment facilities. Principal payments are due annually on December 1 through 2034 commencing December 1, 2016. Interest payments are due semi-annually on June 1 and December 1 commencing December 1, 2016. As of December 31, 2025, future payments of principal and interest total $36,048,650. The bonds are payable solely from the net revenues of the Town's Water and Wastewater Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2025, net pledged revenues of $36,272,254 were available to pay annual debt service of $3,849,200.

In February 2022, the Town issued $25,455,000 of Water and Sewer Enterprise Revenue Bonds, Series 2022 at interest rates ranging from 2 percent – 5 percent. The purpose of the 2022 bonds was to fund the Newlin Gulch pipeline and pump station. Principal payments are due annually on December 1 through 2042 commencing December 1, 2022. Interest payments are due semi-annually on June 1 and December 1 commencing June 1, 2022. As of December 31, 2025, future payments of principal and interest total $31,171,500. The bonds are payable solely from the net revenues of the Town's

Water Resource Funds after the payment of the operation and maintenance expenses of the systems. These bonds constitute an irrevocable lien upon the net pledged revenues. During the year ended December 31, 2025, net pledged revenues of $36,272,254 were available to pay annual debt service of $1,833,850.

In 2015, the Town issued $5,410,000 at a 2.86 percent interest rate of Golf Revenue Refunding and Improvement Bonds to refund the outstanding 2005 Golf Revenue Refunding Bonds, who's original purpose was to finance the acquisition, construction and equipping of the golf course facility. The purpose of the 2015 refunding was to reduce the interest rate paid on the 2005 Bonds and to provide funds for capital improvements at the Golf Course. The outstanding bonds are payable solely from the revenues derived from the operation of the Red Hawk Ridge Golf Course after the payment of operation and maintenance expenses. Principal payments are due annually on December 1. Interest payments are due semi-annually on June 1 and December 1. During the year ended December 31, 2025, net pledged revenues of $1,819,792 were available to pay annual debt service of $500,469. As of December 31, 2025 the outstanding balance, including principal and interest was $996,184.

Revenue Bonds Outstanding at December 31, 2025

Issue	Maturity	Interest Rates	Principal Amount
Governmental Activities			
2016 Sales and Use Tax Bonds	6/1/2028	2.00% - 5.00%	$ 2,520,000
2020 Sales and Use Tax Bonds	6/1/2035	1.03% - 2.42%	17,645,000
Total governmental activities			$ 20,165,000
Business-type Activities			
2015 Water and Wastewater Revenue Refunding Bonds	12/1/2026	2.00% - 5.00%	$ 655,000
2015 Golf Course Revenue Refunding and Improvement Bonds Revenue Bonds	12/1/2027	2.86%	955,000
2016 Water and Wastewater Revenue Refunding Bonds	12/1/2034	1.50% - 5.00%	29,470,000
2022 Water and Wastewater Revenue Improvement Bonds Revenue Bond	12/1/2042	2.00% - 5.00%	22,070,000
Total business-type activities			$ 53,150,000

Revenue Bond Debt Service Requirements to Maturity

	Government-type Activities		Business-type Activiites	
Year	Principal	Interest	Principal	Interest
2026	$ 1,800,000	$ 452,840	$ 4,630,000	$ 2,262,363
2027	1,850,000	398,316	4,165,000	2,066,971
2028	1,915,000	339,203	3,905,000	1,869,100
2029	1,960,000	290,743	4,120,000	1,673,850
2030	2,000,000	253,982	4,335,000	1,498,900
2031-2035	10,640,000	617,440	20,990,000	4,553,100
2036-2040	-	-	7,545,000	1,620,800
2041-2042	-	-	3,460,000	209,000
	$ 20,165,000	$ 2,352,524	$ 53,150,000	$ 15,754,084

B. Certificates of Participation

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

In August 2025, the Town issued Certificates of Participation (COPs) in the amount of $72,550,000. The purpose of the COPs was to fund the acquisition, construction, and improvements of the Castle Rock Sports Center in the Brickyard development area. Principal payments are due annually on November 15 through 2049, commencing on November 15, 2030.

COPs Outstanding at December 31, 2025

Issue	Maturity	Interest Rates	Principal Amount
Governmental Activities			
2020 Parking Fund COPs	12/1/2048	4.0%	8,485,000
2025 Brickyard COPs	12/1/2048	5.0%	72,550,000
Total governmental activities			$ 81,035,000

COPs Debt Service Requirements to Maturity

Government-type Activities		
Year	Principal	Interest
2026	$ -	$ 4,009,363
2027	-	4,009,363
2028	-	4,009,363
2029	-	4,009,362
2030	2,185,000	4,009,362
2031-2035	14,215,000	18,236,263
2036-2040	19,210,000	14,226,563
2041-2045	22,920,000	9,181,250
2046-2049	22,505,000	2,801,500
	$ 81,035,000	$ 64,492,389

C. Notes from Direct Borrowings and Placements

The following is a summary of notes from direct borrowings and placements for the year ended December 31, 2025:

Notes from Direct Borrowings and Placements

	Amount Issued	Amount Outstanding
Business-type activities		
2019 Stormwater Notes Payable	$ 9,500,000	$ 5,595,000
Total Notes from Direct Borrowings and Placements	$ 9,500,000	$ 5,595,000

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

Date	Amount
December 19, 2019 (Closing)	$ 4,500,000
September 30, 2020	4,500,000
September 30, 2021	500,000
	$ 9,500,000

Notes Payable Debt Service Requirements to Maturity

	Business-type Activities	
Year	Principal	Interest
2026	$ 1,060,000	$ 107,424
2027	1,095,000	87,072
2028	1,115,000	66,048
2029	1,145,000	44,640
2030	1,180,000	22,656
	$ 5,595,000	$ 327,840

D. Interest Expense

Total interest expense, excluding amortization and other debt related items, in the amount of $2,161,413 and $2,599,719 was charged to governmental type and business type funds, respectively, for the year ended December 31, 2025.

10. FUND BALANCE AND NET POSITION

					Non-major Special Revenue Funds					
	General	Transportation	Transportation Capital	Parks and Recreation Capital	Conservation Trust	P. S. Miller	Public Art	Police Forfeiture	DDA TIF	Public Safety
Nonspendable	**$ 11,324,236**	**$ 104,398**	**$ -**	**$ -**	**$ 2,024**	**$ 2,532**	**$ -**	**$ -**	**$ -**	**$ -**
Prepaid Items	1,501,718	104,398	-	-	2,024	2,532	-	-	-	-
Loans to other funds (long-term portion)	9,822,518	-	-	-	-	-	-	-	-	-
Restricted	**$ 3,891,785**	**$ -**	**$ 33,349,280**	**$ 67,114,314**	**$ 1,086,923**	**$ -**	**$ -**	**$ 1,526**	**$ -**	**$ -**
TABOR Reserve	3,265,673	-	-	-	-	-	-	-	-	-
TABOR Excess	626,112	-	-	-	-	-	-	-	-	-
Advance grant payments received, not earned	-	-	-	-	-	-	-	-	-	-
Grants earned, not spent	-	-	-	-	-	-	-	1,526	-	-
Impact Fees	-	-	33,349,280	3,470,206	-	-	-	-	-	-
Public Finance Agreement	-	-	-	-	-	-		-	-	-
Lottery Funds	-	-	-	-	1,086,923	-	-	-	-	-
Unspent Debt Proceeds	-	-	-	63,644,108	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-	-	-	-	-
Committed	**$ 15,947,446**	**$ 18,857,192**	**$ -**	**$ -**	**$ 2,825,612**	**$ 229,503**	**$ 281,235**	**$ -**	**$ 4,331,480**	**$ 1,094,727**
Council designation of revenue sources	4,267,674	14,857,192	-	-	2,825,612	229,503	281,235	-	4,331,480	1,094,727
Contractual Obligations	511,772	-	-	-	-	-	-	-	-	-
Economic Development	9,935,183	-	-	-	-	-	-	-	-	-
Parking Fund	1,232,817	-	-	-	-	-	-	-	-	-
Loans to other funds		$ 4,000,000								
Assigned	**$ 8,311,771**	**$ -**	**$ -**	**$ 9,305,332**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Capital Project Carryforward	8,311,771	-	-	9,305,332	-	-	-	-	-	-
Loans to other funds	-	-	-	-	-	-	-	-	-	-
Unassigned	**$ 38,084,209**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
Cash reserve policy	18,947,382	-	-	-	-	-	-	-	-	-
Unappropriated	19,136,827	-	-	-	-	-	-	-	-	-
Total Fund Balance	**$ 77,559,447**	**$ 18,961,590**	**$ 33,349,280**	**$ 76,419,646**	**$ 3,914,559**	**$ 232,035**	**$ 281,235**	**$ 1,526**	**$ 4,331,480**	**$ 1,094,727**

Non-major Special Revenue Funds			Non-major Capital Project Funds					
Castle Rock Urban Renewal Authority	Parks and Rec Lodging Tax	Festival Park Commons GID	Municipal Facilities Capital	Fire Capital	Police Capital	General Long-Term Planning	Total Other Governmental Funds	Total Governmental Funds
$ -	$ 4,511	$ -	$ 26,413	$ -	$ -	$ -	$ 35,480	$ 11,464,114
-	4,511	-	-	-	-	-	9,067	1,615,183
-	-	-	26,413	-	-	-	26,413	9,848,931
$ -	$ 785,453	$ -	$ 2,667,240	$ 1,952,617	$ -	$ -	$ 6,493,759	$ 110,849,138
-	-	-	-	-	-	-	-	3,265,673
-	-	-	-	-	-	-	-	626,112
-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,526	1,526
-	-	-	2,667,240	1,952,617	-	-	4,619,857	41,439,343
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	1,086,923	1,086,923
-	-	-	-	-	-	-	-	63,644,108
-	785,453	-	-	-	-	-	785,453	785,453
							-	
$ -	$ -	$ 873,112	$ -	$ -	$ -	$ 4,935,651	$ 14,571,320	$ 49,375,958
-	-	873,112	-	-	-	4,935,651	14,571,320	33,696,186
-	-	-	-	-	-	-	-	511,772
-	-	-	-	-	-	-	-	9,935,183
-	-	-	-	-	-	-	-	1,232,817
$ -	$ -	$ -	$ 26,023	$ -	$ -	$ -	$ 26,023	$ 17,643,126
-	-	-	-	-	-	-	-	17,617,103
-	-	-	26,023	-	-	-	26,023	26,023
$ (19,556)	$ -	$ -	$ -	$ -	$ (893,960)	$ -	$ (913,516)	$ 37,170,693
-	-	-	-	-	-	-	-	18,947,382
(19,556)	-	-	-	-	(893,960)	-	(913,516)	18,223,311
$ (19,556)	$ 789,964	$ 873,112	$ 2,719,676	$ 1,952,617	$ (893,960)	$ 4,935,651	$ 20,213,066	$ 226,503,029

11. PENSION PLANS

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

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

Plan	Net Pension Liability (Asset)	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense (Reduction)
FPPA SWDB - Police	$ -	$ 4,790,847	$ 1,750,377	$ 1,451,375
FPPA SWDB - Fire	-	5,576,075	408,173	1,921,925
Volunteer Firefighter	452,396	46,346	-	348,900
Totals	$ 452,396	$ 10,413,268	$ 2,158,550	$ 3,722,200

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

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

A description of each plan and selected financial information follows.

A. General Employee Plan

A multi-employer defined contribution pension plan is maintained for all permanent full-time and part-time employees who work at least 20 hours per week on an annual basis. In a defined contribution plan, benefits depend solely on amounts contributed to the plan plus investment earnings. Firefighters are excluded from the plan and are covered by a separate plan, as described in 11. E. Sworn Police Officers are excluded from the plan and are covered by a separate plan, as described in 11. C & D.. For 2025, the plan requires mandatory employee pre-tax contributions to the plan of 4.0 percent of compensation. The Town also contributes 7.0 percent of each employees' compensation to the plan with the exception of the Town Manager and Town Attorney. As part of

their employment contracts, the Town Manager and the Town Attorney receive an 11.0 percent contribution from the Town and do not have a mandatory employee contribution. The Town has no other obligations to fund this plan. Employees are permitted to contribute additional amounts beyond their 4.0 percent mandatory contribution into a deferred 457 plan. These additional amounts are invested in a deferred compensation plan pursuant to Internal Revenue Code (IRC) Section 457, see Note 12.

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

Employer contributions are funded by the governmental and proprietary funds. The Town's contributions for 2025 were $2,621,213. Town employees' mandatory contributions for 2025 were $1,465,765.

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

B. Executive Defined Contribution Plan

In 2004, the Town agreed to adopt a qualified 401(a) Executive Defined Contribution plan as part of the employment contracts for the Town Manager and the Town Attorney. The Town contributed 9.0 percent of the covered employee's compensation into this plan. Vesting is based on years of service and an employee will not be fully vested until they have reached 10 years of service. The Town's contributions to the plan for the year ended December 31, 2025 were $45,936, equal to the required contributions. Plan provisions and contribution requirements are established and administered by Mission Square Retirement and may be amended with the approval of Town Council.

C. Sworn Police Officers Defined Contribution Plan

In 2018, the Town's Sworn Police Officers were moved from the General Employee Plan and added to a new qualified 401(a) Money Purchase Retirement plan. For 2025, the plan requires mandatory employee pre-tax contributions to the plan of 5.6 percent of compensation. The Town also contributes 8.6 percent of each employees' compensation to the plan. The Town has no other obligations to fund this plan. Employees are permitted to contribute additional amounts beyond their 5.6 percent mandatory contribution into a deferred 457 plan. These additional amounts are invested in a deferred compensation plan pursuant to Internal Revenue Code (IRC) Section 457, see Note 12.

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

Employer contributions are funded by the governmental funds. The Town's contributions for 2025 were $99,705. Town employees' mandatory contributions for 2025 were $64,924.

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

D. Sworn Police Officers – Statewide Retirement Plan

In March 2021 the Town of Castle Rock's sworn police officers were provided the option to participate in the Fire and Police Pension Association (FPPA) Statewide Defined Benefit Plan. The Town of Castle Rock's full-time sworn police officers who chose to opt into the plan, as well as full-time sworn police officers hired after entry into the plan, are members of the Statewide Defined Benefit Plan. During 2022, House Bill 22-1034 was signed into law. This legislation combines the assets and liabilities of the Statewide Defined Benefit Plan and Statewide Hybrid Plan to form the Statewide Retirement Plan effective January 1, 2023.

(a) Plan Description

The Statewide Retirement Plan (SRP) is a cost-sharing multiple-employer defined benefit pension plan. The Plan consists of four components: Defined Benefit Component, Hybrid Defined Benefit Component, Social Security Component and Money Purchase Component. The Plan currently has 229 participating employer fire and police departments. The Town does not participate in the Social Security Component. State statute assigns authority to establish and amend benefit provisions to the FPPA. This plan is included in the FPPA's annual separately issued audited financial statements. The FPPA Annual Comprehensive Financial Report can be obtained on FPPA's website at: www.fppaco.org/annual-reports.html.

(b) Description of Benefits

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

A member is eligible for retirement after attainment of age 55 with at least five years of credited service.

A member is eligible for an early retirement after completion of 30 years of service or attainment of age 50 with at least five years of credited service. The early retirement benefit equals the normal retirement benefit reduced on an actuarially equivalent basis.

The annual retirement benefit for the Defined Benefit Component is 2.0 percent of the average of the member's highest three years' base salary for each year of credited service up to ten years, plus 2.5 percent of the average of the member's highest three years' base salary for each year of service thereafter.

The annual retirement benefit of the Hybrid Defined Benefit Component is 1.9 percent of the average of the member's highest three years' base salary for each year of credited service through December 31, 2022 and 1.5 percent of the average of the member's highest three years' base salary for each year of credited service after January 1, 2023.

Benefits paid to retired members and beneficiaries may be increased annually on October 1 via cost of living adjustment (COLA). COLAs may be compounding or non-compounding. The increase in benefits, if any, is based on the FPPA Board of Director's discretion. Compounding COLAs can range from 0.0 percent to the higher of 3.0 percent or the Consumer Price Index for Urban Wage Earners and Clerical Workers. Non-compounding COLAs take into consideration the investment returns, compounding COLAs and other economic factors. COLAs may begin once the retired member has been receiving retirement benefits for at least 12 calendar months prior to October 1.

Upon termination, the vested account balance within the Money Purchase Component becomes available to the member.

Upon termination, a member may elect to have their member contributions, along with 5.0 percent as interest, returned as a lump sum distribution in lieu of a retirement benefit.

(c) Contributions

Contribution rates for the Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2025, the total combined member and employer contribution rate was 22.5 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2024, the total minimum required member and employer contribution rate was 22.2 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.125 percent annually until they reach a minimum rate of 9.0 percent each and at least a combined rate of 18.0 percent in 2030. In 2024, the total minimum combined member and employer contribution rate was 16.625 percent. The Town does not participate in the Hybrid Defined Benefit Component.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Additional voluntary contributions form the employer are made on a pre-tax basis. Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20.0 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

The Town's contribution to the SRP for the year ending December 31, 2025 was $1,261,402, equal to the required contribution for the year.

(d) Pension Liability

At December 31, 2025, the Town reported a liability of $0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined based upon the January 1, 2025 actuarial valuation, which was unchanged from December 31, 2025.

The Town's proportion of the net pension liability was based on the Town's share of contributions to the pension plan relative to the contributions of all participating employers. The Town's proportion measured as of December 31, 2024, was 0.95 percent, which was an decrease of 0.031 percent from its proportion measured as of December 31, 2023.

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

For the year ended December 31, 2025, the Town recognized pension expense for the SRP of $1,451,375. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,293,666	$ 71,744
Changes in assumptions	820,882	-
Net difference between projected and actual investment earnings	325,837	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	117,986	1,678,633
Town contributions subsequent to the measurement date	1,232,476	-
Total	$ 4,790,847	$ 1,750,377

The $1,232,476 reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SRP will be recognized in pension expense as follows:

Year ending December 31	Net Deferred Outflows (Inflows) of Resources
2026	$ 627,508
2027	1,075,526
2028	(212,552)
2029	(165,189)
2030	8,969
Thereafter	473,732
Total	$ 1,807,994

(f) Actuarial Assumptions

The January 1, 2025 actuarial valuations, based on the most recent actuarial study completed in 2023, used the following:

Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%
*Includes Inflation at	2.5%
Mortality	For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Health Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60 percent of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

Change in Assumptions: No changes in assumptions since the prior valuation
Changes in Benefit Terms: No changes in benefit terms since the prior validation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	4%	4.20%
Fixed Income - Credit	7%	6.50%
Fixed Income - Rates	7%	5.00%
Absolute Return	9%	5.70%
Equity Long/Short	6%	6.20%
Global Equity	33%	7.00%
Private Markets	34%	8.80%
Total	100%	

(g) Discount Rate

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

position was projected to be available to make all the projected future benefit payments of current plan members. Therefore, the longterm expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability (asset) to changes in the discount rate, the following presents the Town's proportionate share of the net pension liability (asset), calculated using a discount rate of 7.00%, as well as what the Town's proportionate share of the plan's net pension liability (asset) would be if it were calculated using a discount rate that is one percent lower or one percent higher:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Town's net pension liability/(asset)	$ 4,657,904	$ -	$ -

(h) Pension Plan Fiduciary Net Position

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

E. Fire Employees - Statewide Defined Benefit Plan

(a) Plan Description

All full-time firefighters of the Town are members of the Statewide Retirement Plan (SRP). Reference note 11.D.(a) for the SRP plan description.

(b) Description of Benefits

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

(c) Contributions

Contribution rates for the Plan are set by state statute. The FPPA Board of Directors may further increase the required contributions, equally between employer and member, upon approval through an election of both employers and members.

Members of the Defined Benefit Component contribute 12.0 percent of base salary. In 2020, legislation was enacted to increase the employer contributions rate to the Plan beginning in 2021. Employer contribution rates will increase 0.5 percent annually through 2030 to a total of 13.0 percent of base salary. These increases result in a combined contribution rate of 25.0 percent of base salary in 2030. In 2024, the total combined member and employer contribution rate was 22.5 percent.

Contributions from Defined Benefit Component members and employers of plans reentering the Defined Benefit Component are established by resolution and approved by the FPPA Board of Directors. The continuing rate of contribution for reentry groups is determined for each reentry group. The additional contribution amount is determined locally and may be paid by the member, the employer or split 50/50. Per

the 2020 legislation, the required employer contribution rate for reentry departments also increases 0.5 percent annually. These increases result in a minimum combined contribution rate of 25.2 percent in 2030. In 2025, the total minimum required member and employer contribution rate was 22.2 percent.

The Hybrid Defined Benefit Component and Money Purchase Component members and their employers are currently each contributing at the rate determined by the individual employer. Effective January 1, 2023, the employer and member minimum contribution rates will increase by 0.13 percent annually until they reach a minimum rate of 9.0 percent each and at least a combined rate of 18.0 percent in 2030. In 2025, the total minimum combined member and employer contribution rate was 16.66 percent. The Town does not participate in the Hybrid Defined Benefit Component.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan.

Additional voluntary contributions from the employer are made on a pre-tax basis. Within the Money Purchase Component, members are always fully vested in their own contributions, as well as the earnings on those contributions. Vesting in the employer's contributions within the Money Purchase Component, and earnings on those contributions occurs according to the vesting schedule set by the plan document at 20.0 percent per year after the first year of service and to be 100 percent vested after five years of service or the attainment of age 55. Employer and member contributions are invested in funds at the discretion of members.

A member of the Plan may elect to make voluntary after-tax contributions to the Money Purchase Component of the Plan. Additional voluntary contributions from the employer are made on a pre-tax basis.

The Town’s contribution to the SRP for the year ending December 31, 2025 was $1,261,402, equal to the required contribution for the year.

(d) Pension Liability

At December 31, 2025, the Town reported a liability of $0 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2024 and the total pension liability used to calculate the net pension liability was determined based upon the January 1, 2025 actuarial valuation, which was unchanged from December 31, 2024.

The Town’s proportion of the net pension liability was based on the Town’s share of contributions to the pension plan relative to the contributions of all participating employers. The Town’s proportion measured as of December 31, 2024, was 1.014 percent, which was an decrease of 0.072 percent from its proportion measured as of December 31, 2023.

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

For the year ended December 31, 2025, the Town recognized pension expense for the SRP of $1,921,925. At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 2,430,430	$ 76,022
Changes in assumptions	869,829	-
Net difference between projected and actual investment earnings	345,265	-
Changes in proportion and differences between Town contributions and proportionate share of contributions	669,149	332,151
Town contributions subsequent to the measurement date	1,261,402	-
Total	$ 5,576,075	$ 408,173

The $1,261,402 reported as deferred outflows of resources related to Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to SRP will be recognized in pension expense as follows:

Year ending December 31	Net Deferred Outflows (Inflows) of Resources
2026	$ 1,059,022
2027	1,528,476
2028	151,690
2029	182,006
2030	376,147
Thereafter	609,158
Total	$ 3,906,499

(f) Actuarial Assumptions

The January 1, 2025 actuarial valuations, based on the most recent actuarial study completed in 2022, used the following:

Actuarial Method	Entry Age Normal
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0.0%
*Includes Inflation at	2.5%
Mortality	For determining the total pension liability and actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Health Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015.

Change in Assumptions: No changes in assumptions since the prior valuation
Changes in Benefit Terms: No changes in benefit terms since the prior validation.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation (assumed at 2.5 percent). Best estimates of arithmetic real rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2024 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Cash	4%	4.20%
Fixed Income - Rates	7%	5.00%
Fixed Income - Credit	7%	6.50%
Absolute Return	9%	5.70%
Equity Long/Short	6%	6.20%
Global Equity	33%	7.00%
Private Markets	34%	8.80%
Total	100%	

(g) Discount Rate

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

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability/(asset), calculated using a Single Discount Rate of 7.0 percent, as well as what the plan's net pension liability/(asset) would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
Town's net pension liability/(asset)	$ 4,935,641	$ -	$ -

(h) Pension Plan Fiduciary Net Position

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

F. Volunteer Firefighters' Pension Plan

(a) Plan Description – Benefits Provided

The Town participates in an agent multiple-employer defined benefit pension plan that covers its volunteer firefighters. The plan is administered and benefit provisions are executed by FPPA. This plan provides retirement benefits as well as death and disability benefits. The Town's volunteer firefighters become fully vested after 20 years of active service and reaching age 50. The benefit, payable at age 50, would be equal to the retirement benefit prorated based upon the number of years of service accrued at termination. Surviving spouses of deceased retirees are entitled to 50.0 percent of the retirement benefit until remarriage or their death. Pre-retirement death and disability benefits are only available if incurred in the line of duty. The plan also provides for a lump-sum burial benefit upon the death of an active or retired firefighter. The FPPA Annual Comprehensive Financial Report can be obtained on FPPA's website at: www.fppaco.org/annual- reports.html. The volunteer firefighters' pension plan is closed to new entrants.

(b) Contributions

Volunteer Plan participants are not compensated and do not contribute to the plan. The Volunteer Firefighters' Pension Plan receives contributions from the Town in an amount not to exceed one-half mill of property tax revenue. As established by the legislature, the State of Colorado contributes up to ninety percent of the Town's contribution. The State's contribution does not meet the definition of a special funding situation as defined by GASB 68 and is considered a discretionary contribution. The State's contribution must not exceed the greater of the actuarially determined contribution or the highest State contribution during the years 1998 through 2001, which was $17,635 in 2000. The actuarial study as of January 1, 2021, indicated that the current level of contributions to the fund is adequate to support on an actuarially sound basis, the prospective benefits for the present Plan. For the year ended December 31, 2025, the Town and State contributions were $31,000 and $17,635 respectively.

(c) Members Covered by Benefit Terms

Membership covered by benefit terms at December 31, 2024:

Retirees and Beneficiaries	18
Active Members	1
Total	19

Pension Liability

At December 31, 2025, the Town reported a net pension liability of $452,396. The net pension liability was measured as of December 31, 2024. The total pension liability used to calculate the net pension liability was determined based upon the January 1, 2024 actuarial valuation. The liability was rolled forward to December 31, 2024 using standard actuarial methods.

(d) Actuarial Assumptions

The January 1, 2024 actuarial valuation based on the most recent experience study completed in 2023 used the following:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Salary Increases	N/A
Investment Rate of Return	7.00%
Return	
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	The post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount-weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60 percent multiplier. The on-duty mortality rate is 0.00015.

Change in Assumptions: No changes in assumptions since the prior valuation

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic nominal rates of return for each major asset class included in the Fund's target asset allocation as of December 31, 2023 are summarized in the following table:

Asset Class	Target Allocation	Expected Rate of Return
Liquidity	4.0%	4.2%
Fixed Income - Rates	7.0%	5.0%
Fixed Income - Credit	7.0%	6.5%
Diversifiers	9.0%	5.7%
Equity Long/Short	6.0%	6.2%
Global Public Equity	33.0%	7.0%
Private Markets	34.0%	8.8%
Total	100.0%	

(e) Single Discount Rate

A single discount rate of 6.0% was used to measure the total pension liability. The single discount rate was based on the long-term expected rate of return on pension plan investments of 6.0%. The projection of cash flows used to determine this single discount rate assumes that all actuarially determined contributions will

be made. The plan's fiduciary net position was projected to be available to make all projected future benefit payments. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

(f) Changes in Net Pension Liability

Total Pension Liability		
Service Cost	$	1,117
Interest on the Total Pension Liability		70,122
Benefit changes		245,166
Difference between expected and actual experience of the Total Pension Liability		(5,086)
Changes in assumptions		112,944
Benefit Payments		(106,448)
Net Change in Total Pension Liability		317,815
Total Pension Liability - Beginning		1,053,517
Total Pension Liability - Ending	$	1,371,332
Plan Fiduciary Net Pension		
Employer Contribution	$	26,177
Net Investment Income		83,524
Benefit Payments		(106,448)
Pension Plan Administrative Expenses		(6,296)
State of Colorado Supplemental Discretionary Payment		17,635
Net Change in Plan Fiduciary Net Pension		14,592
Plan Fiduciary Net Position – Beginning (Market value of assets at beginning of year)		904,344
Plan Fiduciary Net Position – Ending (Market value of assets at end of year)	$	918,936
Net Pension Liability	$	452,396

Regarding the sensitivity of the net pension liability/(asset) to changes in the Single Discount Rate, the following presents the plan's net pension liability, calculated using a Single Discount Rate of 6.0 percent, as well as what the plan's net pension liability would be if it were calculated using a Single Discount Rate that is one percent lower or one percent higher:

	1% Decrease 5.00%	Current Discount Rate 6.00%	1% Increase 7.00%
Town's net pension liability	$ 585,642	$ 452,396	$ 339,452

(h) Pension Plan Fiduciary Net Position

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

(i) Pension Expense

For the year ended December 31, 2025, the Town recognized a increase of pension expense of $348,900.

(j) Pension Deferred Outflows/Inflows of Resources

At December 31, 2025, the Town reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	$ 61,208	$ 45,862
Town contributions subsequent to the measurement date	31,000	-
Total	$ 92,208	$ 45,862

The $31,000 reported as deferred outflows of resources related to the Volunteer pension plan resulting from Town contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2026.

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

Year ending December 31	Net Deferred Outflows (Inflows) Of Resources
2026	$ 7,035
2027	21,718
2028	(8,887)
2029	(4,520)
Total	$ 15,346

12. DEFERRED COMPENSATION PLANS

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

The general employee plan is administered and benefit provisions are amended through ICMA. All full-time and

part-time employees who are covered by the ICMA general employees defined contribution pension plan are eligible to participate in the ICMA deferred compensation plan. There are no contributions made by the Town.

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

A third plan is available to fire employees who meet the eligibility requirements for FPPA membership. This plan is administered and benefit provisions are amended through FPPA. The Town contributes 3.0 percent of each paid fire fighter's salary. Employee participation in the 457 plans is optional. For the year ended December 31, 2025, the Town contributions were $331,053.

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

13. RISK MANAGEMENT

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

The Town has agreed to partially self-insure claims for health insurance of Town employees to a maximum liability of $100,000 per covered person. For insured risks, no settlements have exceeded coverage during the past three years.

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

	2025	2024
Claims payable, January 1	$ 982,750	$ 690,700
Incurred claims	10,202,549	8,263,269
Claims paid	(8,195,799)	(7,971,219)
Claims payable, December 31	$ 2,989,500	$ 982,750

For excess liability, property and workers compensation claims, the Town is involved with the Colorado

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

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

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

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

In 2025, the Town's CIRSA deductibles per occurrence were:

Liability	$	100,000
Auto Liability	$	5,000
Errors and omissions	$	100,000
Worker Compensation	$	25,000
Fidelity (employee dishonesty)	$	1,000

14. COMMITMENTS AND CONTINGENCIES

Committed Construction

As of December 31, 2025, the Town had unexpended construction related commitments of $260,273,465.

Federal Programs

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

Litigation

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

Taxpayer Bill of Rights (TABOR)

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

key mechanisms for restraining growth without a vote are: 1) the prohibition of revenue and expenditure growth other than for inflation and a component for new construction growth, 2) the prohibition of new taxes or higher tax rates, 3) the prohibition of new debt, and 4) the refunding of any revenues collected in excess of the revenue limitations.

Castle Rock voters have approved certain revenue exemptions. These exemptions include: 1) a $0.0075 exemption of sales and motor vehicle taxes approved in 1994 to be used for streets, trails, bridges and sidewalks, 2) a $0.004 exemption of sales and motor vehicle taxes approved in 1995 to be used for transportation and the community center, and 3) approved in 2005, an exemption of all transportation impact fees and all building use taxes to be used for transportation and the community center.

TABOR further requires emergency reserves of at least 3.0 percent of fiscal year spending (excluding bonded debt service). This reserve was recorded in the General Fund as restricted fund balance of $3,265,673 as of December 31, 2025. Local governments are prohibited from use of these emergency reserves to compensate for economic conditions, revenue shortfalls, salary or benefit increases.

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

15. INTERFUND TRANSACTIONS

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

	Interfund Payable					
Interfund Receivable	**General Fund**	**Transportation Capital Fund**	**Water**	**Nonmajor Governmental Funds**	**Nonmajor Business-type Funds**	**Total**
General Fund	$ -	$ 4,700,000	$ -	$ 7,313,257	$ 2,076,935	$ 14,090,192
Transportation Fund	-	4,000,000	-	-	-	4,000,000
Water Resources	1,552,382	-	-	-	-	1,552,382
Wastewater	-	-	3,641,776	-	-	3,641,776
Nonmajor Governmental Funds	-	-	-	52,436	-	52,436
Total	$ 1,552,382	$ 8,700,000	$ 3,641,776	$ 7,365,693	$ 2,076,935	$ 23,336,786

The below describes the outstanding loans of the general fund as of December 31, 2025:

Purpose	**Payable Fund**	**Outstanding Balance**
Crystal Valley Interchange (3)	Transportation Capital Fund	$ 4,700,000
Impact fees - reimburse General Fund for growth related construction (1)	Police Capital	450,455
Advanced funding for capital projects funded by Tabor Excess Fund (4)	Police Capital	811,730
Advanced fund for capital projects funded by Tabor Excess Fund (7)	Fire Capital Fund	6,000,000
Advance for operating costs funded by Economic Development Fund	Urban Renewal Authority	51,072
Advance for debt service reserve	Golf	500,815
Advance for golf maintennce equipment (2)	Golf	111,064
Advance for golf carts (6)	Golf	352,673
Advance for slide tower repair (5)	Community Center	1,112,383
Total loans outstanding		$ 14,090,192

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

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

(3) In 2023, the Town recorded a loan from the General Fund to the Transportation Capital Fund of $6,500,000 to cash flow the construction of the Crystal Valley Interchange project.

(4) In 2023, the Town recorded a loan from the TABOR Fund to the Police Capital Fund of $1,000,000 to fund renovations at Police Headquarters.

(5) In 2023, the Town recorded a loan from the General Fund to the Community Center Fund of $1,370,385 to fund repairs to the Recreation Center slide and pool.

(6) In 2024, the Town recorded a loan from the General Fund to the Golf Fund of $695,000 to fund the purchase of golf carts.

(7) In 2025, the Town recorded a loan from the General Fund to the Fire Capital Fund of $6,0000,000 to cashflow the construction of Fire Station 156.

In addition, the Water Resources Fund has a loan outstanding with the General Fund for an advance to fund turf replacement, the Wastewater fund has a loan outstanding with the Water Fund for planned water projects and the Municipal Facilities Capital Fund has a loan outstanding with the Police Capital fund the Police Department basement renovation.

Transfers are used to move revenues from the fund in which the town budget requires collection to the fund required to expend the monies, and to move unrestricted revenues collected in the General Fund to finance various activities accounted for in other funds. Transfers also include the repayment of interfund loan interest.

	Transfers Out								
Transfers In	General Fund	Transportation Fund	Parks and Recreation Capital	Transportation Capital Fund	Water	Water Resources	Nonmajor Governmental Funds	Nonmajor Business-type Funds	Total
General Fund	$ 173,065	$ 901,970	$ -	$ 97,500	$ -	$ -	$ 4,205,306	$ 49,486	$ 5,427,327
Transportation Fund	-	-	-	45,000	-	-	-	-	45,000
Water Resources	28,417	-	-	-	-	-	-	-	28,417
Wastewater	-	-	-	-	72,300	-	-	-	72,300
Nonmajor Governmental Funds	1,512,939	-	-	-	-	-	101,171	-	1,614,110
Nonmajor Business-type Funds	-	-	-	-	-	-	-	-	-
Internal Service Funds	1,304,942	115,450	-	-	43,070	225,633	452,148	-	2,141,243
Total	$ 3,019,363	$ 1,017,420	$ -	$ 142,500	$ 115,370	$ 225,633	$ 4,758,625	$ 49,486	$ 9,328,397

Transfers between Water Resources and General Fund	$ 28,417
Transfers between General Fund and nonmajor Business-type Funds	(49,486)
Transfers between the Internal Service Funds and Water Fund	(43,070)
Transfers between the Internal Service Funds and Water Resources Fund	(225,633)
Total transfers between Governmental-type and Business-type Activities	$ (289,772)

16. DEFICIT FUND BALANCES

On December 31, 2025, the Police Capital Fund had a fund deficit of $893,960. This will be eliminated with the repayment of the loans from the collection of future development impact fees.

On December 31, 2025, CRURA had a fund deficit of $19,556. This will be eliminated with the repayment of the loan from future administration fees collected by the URA.

17. TAX ABATEMENTS

The Town enters into public finance agreements with developers in order to create jobs, expand the tax base, encourage existing businesses to make capital investments, and spur new office, industrial, and retail expansion and development. Town ordinances authorize abatements of incremental sales tax and property tax revenues for public finance agreements. For the year ended December 31, 2025, the Town abated approximately $1,921,459 in sales taxes under this program.

18. DISCRETELY-PRESENTED COMPONENT UNITS

Castle Rock Downtown Development Authority (CRDDA)
As of December 31, 2025, all of the CRDDA's deposits were either insured by the FDIC or held in eligible depositories. CRDDA investements are held in CSAFE rated AAAmmf by Fitch.

Capital assets activity for the CRDDA for the year ended December 31, 2025 was as follows:

	Balance at December 31, 2024	Additions	Deletions	Balance at December 31, 2025
Capital assets, being depreciated				
Improvements	$ 159,366	$ 12,240	$ (55,596)	$ 116,010
Total capital assets being depreciated	159,366	12,240	(55,596)	116,010
Less assets, being amortized				
Buildings	47,509	50,631	(47,509)	50,631
Total lease assets, being amortized	47,509	50,631	(47,509)	50,631
Capital asset accumulated depreciation	(126,184)	(5,166)	51,684	(79,666)
Lease asset accumulated amortization	(47,509)	(10,126)	47,509	(10,126)
Total accumulated depreciation and amortization	(173,693)	(15,292)	99,193	(89,792)
Total capital assets, net	$ 33,182	$ 47,579	$ (3,912)	$ 76,849

In January 2026, CRDDA entered into a sublease agreement in which CRDDA will sublease two offices for the period of January 2025 through December 2029. As of December 31, 2025, CRDDA recognized a lease liability and an intangible right-to-use lease asset.

	Balance at December 31, 2024	Additions	Dispositions	Balance at December 31, 2025	Due In One Year
Lease Payable	$ -	$ 50,631	$ 5,968	$ 44,663	$ 9,218
Total	$ -	$ 50,631	$ 5,968	$ 44,663	$ 9,218

Miller's Landing Business Improvement District (BID)

As of December 31, 2025, all of the Miller's Landing BID had no deposits with financial institutions and all cash and investments are held in a U.S. Treasury money market fund rated AAA.

Capital assets activity for the Miller's Landing BID for the year ended December 31, 2025 was as follows:

	Balance at December 31, 2024	Additions	Deletions	Balance at December 31, 2025
Capital assets not being depreciated				
Construction in progress	$ 16,369,970	$ 389,512	$ 1,936,000	$ 14,823,482
Total capital assets not being depreciated	16,369,970	389,512	1,936,000	14,823,482
Miller's Landing BID capital assets, net	$ 16,369,970	$ 389,512	$ 1,936,000	$ 14,823,482

The following is an analysis of changes in long-term obligations for the Miller's Landing BID for the year ended December 31, 2025:

	Balance at December 31, 2024	Additions	Retirements	Balance at December 31, 2025	Due Within One Year
Bonds Payable:					
Series 2018A	$ 7,715,000	$ -	$ 140,000	$ 7,575,000	$ 160,000
Series 2018B	12,580,000	-	240,000	12,340,000	270,000
Subtotal Bonds Payable	$ 20,295,000	$ -	$ 380,000	$ 19,915,000	$ 430,000
Notes from Direct Borrowing					
Developer Advance - Operating	$ 751,242	$ 32,963	$ -	$ 784,205	$ -
Developer Advance - Capital	4,348,895	389,512	-	$ 4,738,407	-
Developer Advance - Debt	5,300,851	1,538,798	-	$ 6,839,649	-
Accrued Interest on:					
Developer Advance - Operating	230,684	57,953	-	$ 288,637	-
Developer Advance - Capital	557,525	203,579	-	$ 761,104	-
Developer Advance - Debt	762,995	525,722	-	$ 1,288,717	-
Subtotal Other Debt	$ 11,952,192	$ 2,748,527	$ -	$ 14,700,719	$ -
	$ 32,247,192	$ 2,748,527	$ 380,000	$ 34,615,719	$ 430,000

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

19. RELATED PARTY TRANSACTIONS

The Castle Rock Council members are on the boards of various organizations in the region, including the Castle Rock Chamber of Commerce, Castle Rock Economic Development Council, Chatfield Watershed Authority, Colorado Municipal League Policy Committee, Denver Regional Council of Governments, Douglas County Housing Partnership, and Douglas County Youth Initiative. In addition, the Director of Parks and Recreation is on the board of Rueter Hess Recreation Authority.

The Town made payments of the following amounts to these organizations in 2025:

Related Party Transactions

Castle Rock Chamber of Commerce	$	133,000
Castle Rock Economic Development Council		247,927
Chatfield Watershed Authority		75,510
Colorado Municipal League		58,513
Denver Regional Council of Governments		36,040
Douglas County Housing Partnership		35,000
Douglas County Youth Initiative		19,800
Douglas County (for Rueter Hess Recreation Authority)		210,000

20. LESSOR LEASING ARRANGEMENTS

The Town leases portions of land for cell tower use as part of its' governmental activities, the terms of which expire in 2050. Payments are either set for the entire term or increase annually by a percentage as stated in the agreement. The leases were measured at leases commencement based upon the IBR. Additionally, the Town leases a portion of land for the use of a zip line and aerial trekking course. Payments are variable based upon a percentage of gross revenues from the business activities as stated in the agreement.

The Town leases portions of land for cell tower use as part of its' business-type activities, the terms of which expire in 2079. Payments either increase annually or at the end of the renewal period by a percentage as stated in the agreement. The leases were measured at lease commencement based upon the IBR. Additionally, the Town receives variable lease payments for the cell tower rents received by the tenant. Payments are based upon a percentage of actual rents received by the tenant as stated in the agreement.

Inflows Recognized During the Year Ended December 31, 2025		
Governmental Activities		
Lease Revenue	$	66,744
Interest Revenue		66,466
Variable lease revenue (excluded from lease receivable)		58,108
Business-Type Activities		
Lease Revenue		51,840
Interest Revenue		101,108
Variable lease revenue (excluded from lease receivable)		69,529
Total lease-related inflows	$	413,795

Future Lease Payments Included in Measurement of Lease Receivable:

Year Ending December 31	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2026	$ 20,262	$ 69,567	$ 89,828	$ 8,663	$ 101,301	$ 109,965
2027	24,001	68,126	92,127	13,691	101,400	115,091
2028	27,375	67,120	94,495	15,807	101,365	117,172
2029	30,967	65,967	96,934	20,552	101,228	121,780
2030	34,787	64,659	99,446	23,874	100,936	124,810
2031-2035	240,135	297,493	537,628	118,475	497,497	615,972
2036-2040	377,726	235,020	612,746	116,335	488,603	604,938
2041-2045	520,250	141,017	661,268	80,398	474,651	555,049
2046-2050	378,021	33,737	411,759	145,844	461,114	606,958
2051-2055	-	-	-	280,566.26	423,064.32	703,630.59
2056-2060	-	-	-	202,028.88	363,620.34	565,649.22
2061-2065	-	-	-	114,481.01	335,746.96	450,227.97
2066-2070	-	-	-	234,875.16	287,062.45	521,937.62
2071-2075	-	-	-	408,244.76	196,823.99	605,068.75
2076-2080	-	-	-	462,308.28	53,531.86	515,840.14
Total	**$ 1,653,524**	**$ 1,042,706**	**$ 2,696,231**	**$ 2,246,143**	**$ 4,087,945**	**$ 6,334,089**

The principal portion represents the reduction of the lease receivable balance. The interest portion represents interest revenue to be recognized over the remaining lease term. For Governmental Activities, the Town reported at December 31, 2025, a lease receivable of $1,653,524 and a corresponding deferred inflow of resources of $1,653,524. For Business-Type Activities, the Town reported at December 31, 2025, a lease receivable of $2,246,143 and a corresponding deferred inflow of resources of $2,246,143 . The deferred inflow will be recognized systematically as revenue over the remaining lease terms.

21. CORRRECTION OF AN ERROR IN PREVIOUSLY ISSUED FINANCIAL STATEMENTS

During fiscal year 2025, the Town of Castle Rock determined that there were certain errors in amounts previously reported in the 2024 financial statements resulting in a restatement of the beginning fund balance. The corrections consist of the following:

- The Town identified interfund loan should have been presented in governmental fund in the prior year. Accordingly, total fund balance on transportation fund as of December 30, 2024 was understated by $3,000,000 and transportation capital was overstated by 3,000,000. The effect of this correction is shown in error correction between transportation and transportation capital in the table below.
- The same identified interfund loan that should have been shown in the prior year. Accordingly, total fund balance on other governmental funds, non-major special revenue conservation trust funds as of December 30, 2024 was understated by $1,700,000. Parks and recreation capital in capital project funds was overstated by 1,700,000. The effect of this correction is shown in Column Parks and Recreation Capital and Conservation Trust Fund in the table below.

Beginning fund balance was restated as follows:

		Error Correction				
	Dec 31, 2024, As Previously Reported	Transportation	Transportation Capital	Parks and Recreation Capital	Conservation Trust Fund	Dec 31, 2024, As Restated
Governmental Funds						
General Fund	62,259,479	-	-	-	-	62,259,479
Transportation	16,151,784	3,000,000	-	-	-	19,151,784
Transportation Capital	29,634,770	-	(3,000,000)	-	-	26,634,770
Parks and Recreation Capital	18,235,332	-	-	(1,700,000)	-	16,535,332
Other Governmental Funds	14,581,362	-	-	-	1,700,000	16,281,362
Total governmental funds	$140,862,727	$ 3,000,000	$ (3,000,000)	$ (1,700,000)	$ 1,700,000	$140,862,727

If these amounts had been properly recorded in the prior year, the change in fund balance would have been adjusted as follows for the year ended December 31, 2024:

		Error Correction				
	Dec 31, 2024, As Previously Reported	Transportation	Transportation Capital	Parks and Recreation Capital	Conservation Trust Fund	Dec 31, 2024, As Restated
Governmental Funds						
General Fund	4,797,962	-	-	-	-	4,797,962
Transportation	(594,995)	3,000,000	-	-	-	2,405,005
Transportation Capital	(3,510,071)	-	(3,000,000)	-	-	(6,510,071)
Other Governmental Funds	2,429,255	-	-	(1,700,000)	1,700,000	2,429,255
Total governmental funds	$ 3,122,151	$ 3,000,000	$ (3,000,000)	$ (1,700,000)	$ 1,700,000	$ 3,122,151

22. SUBSEQUENT EVENT DISCLOSURE

Subsequent to year-end, the Town issued Certificates of Participation (COPs) in the amount of $7,865,000. The purpose of the COPs was to fund the acquisition, construction, and improvements of Castle Rock Fire Station 156 . The debt was issued on February 10, 2026 and repaid from development impact fees. Management evaluated this subsequent event through the date the financial statements were available to be issued.



Supplementary Information

Required Supplementary Information

Combining and Individual Fund Statements and Schedules

Required Supplementary Information

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

Schedule of Contributions for the Volunteer Firefighters' Pension Plan

Schedule of Contributions for the Statewide Retirement Plan - Fire

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

Schedule of Contributions for the Statewide Retirement Plan - Police

Schedule of the Town's Proportionate Share of the Net Pension Liability/(Asset) for the Statewide Retirement Plan - Police

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

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

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

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

Schedule of Revenues and Expenditures and Changes in Funds Available

General Fund

Transportation Fund

Note to Required Supplementary Information

TOWN OF CASTLE ROCK, COLORADO

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

Measurement period ending December 31,	2024	2023	2022	2021
Total Pension Laibility				
Service Cost	$ 1,117	$ 1,117	$ 1,095	$ 1,095
Interest on the Total Pension Liability	70,122	72,351	74,473	76,592
Benefit Changes	245,166	-	-	-
Difference between Expected and Actual Experience	(5,086)	-	(9,375)	-
Assumption Changes	112,944	-	8,559	-
Benefit Payments	(106,448)	(104,220)	(105,908)	(109,924)
Net Change in Total Pension Liability	317,815	(30,752)	(31,156)	(32,237)
Total Pension Liability - Beginning	1,053,517	1,084,269	1,115,425	1,147,662
Total Pension Liability - Ending (a)	$ 1,371,332	$ 1,053,517	$ 1,084,269	$ 1,115,425
Plan Fiduciary Net Position				
Employer Contributions	$ 26,177	$ 20,440	$ 20,440	$ 20,440
Pension Plan Net Investment Income	83,524	82,083	(81,842)	139,501
Benefit Payments	(106,448)	(104,220)	(105,908)	(109,924)
Pension Plan Administrative Expense	(6,296)	(9,132)	(5,747)	(6,089)
State of Colorado supplemental discretionary payment	17,635	17,635	17,635	35,270
Net Change in Plan Fiduciary Net Position	14,592	6,806	(155,422)	79,198
Plan Fiduciary Net Position - Beginning	904,344	897,538	1,052,960	973,762
Plan Fiduciary Net Position - Ending (b)	$ 918,936	$ 904,344	$ 897,538	$ 1,052,960
Net Pension Liability/(Asset) - Ending (a) - (b)	$ 452,396	$ 149,173	$ 186,731	$ 62,465
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	67.01%	85.84%	82.78%	94.40%
Covered Payroll	N/A	N/A	N/A	N/A
Net Pension Liability as a Percentage of Covered Payroll	N/A	N/A	N/A	N/A

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

2020	2019	2018	2017	2016	2015
$ 1,095	$ 1,095	$ 2,879	$ 2,879	$ 2,861	$ 2,861
76,186	78,496	84,888	86,346	82,814	84,409
-	-	-	-	-	-
39,791	-	(26,200)	-	28,112	-
-	-	40,977	-	40,514	-
(112,590)	(112,590)	(111,578)	(105,840)	(108,540)	(108,540)
4,482	(32,999)	(9,034)	(16,615)	45,761	(21,270)
1,143,180	1,176,179	1,185,213	1,201,828	1,156,067	1,177,337
$ 1,147,662	$ 1,143,180	$ 1,176,179	$ 1,185,213	$ 1,201,828	$ 1,156,067
$ 20,440	$ 20,440	$ 20,440	$ 20,440	$ 20,440	$ 20,440
113,648	124,499	689	130,343	48,736	18,015
(112,590)	(112,590)	(111,578)	(105,840)	(108,540)	(108,540)
(4,814)	(6,857)	(5,163)	(5,419)	(1,735)	(3,747)
17,635	-	17,635	17,635	17,635	17,635
34,319	25,492	(77,977)	57,159	(23,464)	(56,197)
939,443	913,951	991,928	934,499	957,963	1,014,160
$ 973,762	$ 939,443	$ 913,951	$ 991,658	$ 934,499	$ 957,963
$ 173,900	$ 203,737	$ 262,228	$ 193,555	$ 267,329	$ 198,104
84.85%	82.18%	77.71%	83.67%	77.76%	82.86%
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

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

TOWN OF CASTLE ROCK, COLORADO

SCHEDULE OF CONTRIBUTIONS
FIRE AND POLICE PENSION ASSOCIATION OF COLORADO (FPPA)
VOLUNTEER FIRE PENSION PLAN
LAST TEN FISCAL YEARS

	2025	2024	2023	2022
Actuarially determined contributions	$ 43,812	$ 43,812	$ 26,473	$ 26,473
Contributions in relation to the actuarially determined contribution *	48,635	43,812	38,075	38,075
Contribution deficiency (excess)	$ (4,823)	$ -	$ (11,602)	$ (11,602)
Town's covered payroll	N/A	N/A	N/A	N/A
Contributions as a percentage of covered payroll	N/A	N/A	N/A	N/A

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

Notes to Schedule

Actuarially determined contribution rates are calculated as of January 1 of odd number years. The contribution rates have a one-year lag, so the actuarial valuation as of January 1, 2023 determines the contribution amounts for 2024 and 2025.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Open*
Remaining Amortization Period	20 Years*
Asset Valuation Method	5-Year smoothed fair value
Inflation	2.500%
Salary Increases	N/A
Investment Rate of Return	7.0%
Retirement Age	50% per year of eligibility until 100% at age 65.
Mortality	The post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, and then projected using the ultimate values of the MP-2020 projection scale for all years. The pre-retirement mortality assumption uses the Pub-2010 Safety Healthy Employee Mortality Tables for males and females, amount weighted, and then projected with the MP-2020 Ultimate projection scale. The pre-retirement non-duty mortality tables are adjusted to 60% multiplier. The on-duty mortality rate is 0.00015. The disabled retirees mortality assumption uses the Pub-2010 Public Safety Healthy Annuitant Mortality Tables for males and females, amount-weighted, set forward five years projected with the MP-2020 Ultimate projection scale, with minimum probability of 3.5% for males and 2.5% for females.

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

Changes in Assumptions. Effective for the January 1, 2023 valuation the mortality tables were updated.

Effective for the January 1, 2019 valuation the investment rate of return decreased from 7.5% to 7.0% and the mortality tables were updated.

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

2021	2020	2019	2018	2017	2016
$ 25,013	$ 25,013	$ 25,867	$ 25,867	$ 18,141	$ 18,141
55,710	38,075	20,440	38,075	38,075	38,075
$ (30,697)	$ (13,062)	$ 5,427	$ (12,208)	$ (19,934)	$ (19,934)
N/A	N/A	N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A	N/A	N/A

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

TOWN OF CASTLE ROCK, COLORADO

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

	2025 *	2024
Statutorily required contributions	$ 1,261,402	$ 1,102,828
Contributions in relation to the statutorily required contribution	1,261,402	1,102,828
Contribution deficiency (excess)	$ -	$ -
Town's covered payroll	$ 12,045,390	$ 11,083,762
Contributions as a percentage of covered payroll	10.47%	9.95%

* The amounts presented as of the current year end, December 31, 2025

Methods and Assumptions used to Determine Contribution:

Actuarial valuations done every year. Actuarial assumptions effective for valuations prior to January 1, 2025 were used in the determination of the actuarially determined contributions as of December 31, 2024, which represents contributions required in 2025.

Actuarial Valuation Date	January 1, 2024
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return, net*	7.0%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%
*Includes inflation at	2.5%

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2023 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2024. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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

TOWN OF CASTLE ROCK, COLORADO

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

	2025 *	2024
Town's proportion of the net pension liability (asset)	1.011%	1.083%
Town's proportionate share of the net pension liability (asset)	-	-
Town's covered payroll	$ 11,083,762	$ 10,639,150
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	100%	100%

* The amounts presented as of the measurement date, December 31, 2024.

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

TOWN OF CASTLE ROCK, COLORADO

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

	2025*	2024
Statutorily required contributions	$ 1,232,476	$ 1,040,770
Contributions in relation to the statutorily required contribution	1,232,476	1,040,770
Contribution deficiency (excess)	$ -	$ -
Town's covered payroll	$ 10,429,501	$ 9,138,321
Contributions as a percentage of covered payroll	11.82%	11.39%

* The amounts presented as of the current year end, December 31, 2025

Methods and Assumptions used to Determine Contribution:

Actuarial valuations done every year. Actuarial assumptions effective for valuations prior to January 1, 2025 were used in the determination of the actuarially determined contributions as of December 31, 2024, which represents contributions required in 2025.

Actuarial Valuation Date	January 1, 2024
Actuarial Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return, net*	7.0%
Projected Salary Increases	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%
*Includes inflation at	2.5%

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the Pub-2010 Safety Healthy Annuitant Mortality Tables projected with the ultimate values of the MP-2020 projection scale. The pre-retirement off-duty mortality tables are adjusted to 60% of the MP-2020 mortality tables for active employees. The on-duty mortality rate is 0.00015

At least every five years the FPPA's Board of Directors, in accordance with best practices, reviews its economic and demographic actuarial assumptions. At its July 2023 meeting, the Board of Directors reviewed and approved recommended changes to the actuarial assumptions. The recommendations were made by the FPPA's actuaries, Gabriel, Roeder, Smith & Company, based upon their analysis of past experience and expectations of the future. The assumption changes were effective for actuarial valuations beginning January 1, 2024. The actuarial assumptions impact actuarial factors for benefit purposes such as purchases of service credit and other benefits where actuarial factors are used.

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

TOWN OF CASTLE ROCK, COLORADO

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

	2025 *	2024
Town's proportion of the net pension liability (asset)	0.955%	0.985%
Town's proportionate share of the net pension liability (asset)	-	-
Town's covered payroll	$ 9,138,321	$ 8,364,268
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	100%	100%

* The amounts presented as of the measurement date, December 31, 2024.

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

TOWN OF CASTLE ROCK, COLORADO

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

	2024 *	2023	2022	2021
Statutorily required contributions	$ 1,102,828	$ 1,010,720	$ 889,200	$ 733,443
Contributions in relation to the statutorily required contribution	1,102,828	1,010,720	889,200	733,443
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Town's covered payroll	$ 11,083,762	$ 10,639,158	$ 9,880,000	$ 8,628,741
Contributions as a percentage of covered payroll	10.0%	9.5%	9.0%	8.5%

* The amounts presented as of the measurement date, December 31, 2024

Note: Plan was combined with the Statewide Hybrid Plan effective January 1, 2023. See Statewide Retirement Plan for current year information

Methods and Assumptions Used to Determine Contribution:
Actuarial valuations done every year. Actuarial assumptions as of January 1, 2023 were used in the determination of the actuarially determined contributions as of December 31, 2023, which represents contributions required in 2024.

Actuarial Valuation Date	January 1, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%
*Includes Inflation at	2.5%

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2015 Annuitant Mortality Tables projected to 2018 using the MP-2017 projecton scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

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

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

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

TOWN OF CASTLE ROCK, COLORADO

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

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

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

TOWN OF CASTLE ROCK, COLORADO

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

	2024 *	2023	2022	2021
Town's proportion of the net pension liability (asset)	1.083%	1.136%	1.072%	1.110%
Town's proportionate share of the net pension liability (asset)	$ -	$ 1,007,982	$ (5,808,791)	$ (2,409,475)
Town's covered payroll	$ 10,639,150	$ 9,880,000	$ 8,628,741	$ 8,914,365
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%	10.20%	-67.32%	-27.03%
Plan fiduciary net position as a percentage of the total pension liability	100.00%	97.634%	116.165%	106.720%

* The amounts presented as of the measurement date, December 31, 2023

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

TOWN OF CASTLE ROCK, COLORADO

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

2020	2019	2018	2017	2016	2015
0.97%	1.11%	1.14%	1.24%	1.23%	1.23%
$ (550,949)	$ 1,407,329	$ (1,632,323)	$ 446,175	$ (21,650)	$ (1,390,185)
$ 7,179,869	$ 7,456,522	$ 6,636,696	$ 6,319,413	$ 5,953,555	$ 5,602,212
-7.67%	18.87%	-24.60%	7.06%	-0.36%	-24.81%
101.94%	95.24%	106.34%	98.21%	100.10%	106.83%

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

TOWN OF CASTLE ROCK, COLORADO

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

	2024 *	2023	2022	2021
Statutorily required contributions	$ 1,040,770	$ 920,068	$ 574,390	$ 596,522
Contributions in relation to the statutorily required contribution	1,040,770	920,068	574,390	596,522
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Town's covered payroll	$ 9,138,321	$ 8,372,969	$ 7,179,869	$ 7,456,522
Contributions as a percentage of covered payroll	11.39%	10.99%	8.0%	8.0%

* The amounts presented as of the measurement date, December 31, 2024.
** The sworn police officers affiliated with the Fire and Police Pension Association in March 2021. Contributions for 2021 include only ten months of actual contributions.

Note: Plan was combined with the Statewide Hybrid Plan effective January 1, 2023. See Statewide Retirement Plan for current year information

Methods and Assumptions Used to Determine Contribution:

Actuarial valuations done every year. Actuarial assumptions as of January 1, 2023 were used in the determination of the actuarially determined contributions as of December 31, 2023, which represents contributions required in 2024.

Actuarial Valuation Date	January 1, 2023
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level % of Payroll, Open
Amortization Period	30 Years
Long-term Investment Rate of Return*	7.0%
Projected Salary Increases*	4.25% - 11.25%
Cost of Living Adjustments (COLA)	0%
*Includes Inflation at	2.5%

For determining the actuarially determined contributions, the post-retirement mortality tables for non-disabled retirees uses the 2006 central rates from the RP-2015 Annuitant Mortality Tables projected to 2018 using the MP-2017 projection scales, and the projected prospectively using the ultimate rates of the scale for all years. The pre-retirement off-duty mortality tables are adjusted to 50% of the RP-2014 mortality tables for active employees. The on-duty mortality rate is 0.00015.

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

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

TOWN OF CASTLE ROCK, COLORADO

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

	2024 *	2023	2022
Town's proportion of the net pension liability (asset)	0.986%	0.962%	0.886%
Town's proportionate share of the net pension liability (asset)	$ -	$ 853,441	$ (4,801,333)
Town's covered payroll	$ 8,364,268	$ 7,097,802	$ 4,549,620
Town's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.000%	12.024%	-105.533%
Plan fiduciary net position as a percentage of the total pension liability	100.000%	97.634%	116.165%

* The amounts presented as of the measurement date, December 31, 2023.

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund			
	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Property	$ 1,543,823	$ 1,543,823	$ 1,595,732	$ 51,909
Sales	59,041,866	59,041,866	63,636,714	4,594,848
Motor Vehicle	7,524,454	7,524,454	6,149,215	(1,375,239)
Other taxes	3,780,036	3,780,036	3,766,396	(13,640)
Charges for services	2,997,656	2,997,656	4,686,144	1,688,488
Management fees	4,685,198	4,685,198	4,684,903	(295)
Licenses and permits	181,209	181,209	162,074	(19,135)
Fines and forfeitures	216,946	216,946	309,090	92,144
Investment earnings	640,180	640,180	1,577,637	937,457
Intergovernmental	5,053,937	5,767,155	2,142,868	(3,624,287)
Contributions and donations	51,503	51,503	82,871	31,368
Leases	-	58,108	70,767	12,659
Other	538,820	538,820	762,734	223,914
Total revenues	86,255,628	87,026,954	89,627,145	2,600,191
EXPENDITURES				
General government				
Town council	496,437	526,437	519,528	6,909
Town manager	10,437,251	10,767,381	8,846,456	1,920,925
Town attorney	1,385,863	1,455,863	1,443,618	12,245
Finance	7,279,985	7,008,870	5,764,090	1,244,780
Municipal court	489,197	489,197	441,536	47,661
Long-range planning	681,616	681,616	538,326	143,290
Total general government	20,770,349	20,929,364	17,553,554	3,375,810
Public safety				
Police	27,326,079	27,701,711	26,681,170	1,020,541
Fire	26,493,933	26,533,933	25,755,161	778,772
Total public safety	53,820,012	54,235,644	52,436,331	1,799,313
Culture and recreation				
Parks and open space	5,985,195	6,035,195	5,799,642	235,553
Total culture and recreation	5,985,195	6,035,195	5,799,642	235,553
Capital outlay	7,617,442	10,834,991	1,955,022	8,879,969
Total expenditures	88,192,998	92,035,194	77,744,549	14,290,645
Excess (deficiency) of revenues over (under) expenditures	(1,937,370)	(5,008,240)	11,882,596	16,890,836
OTHER FINANCING SOURCES (USES)				
Transfers in	5,417,385	6,024,417	7,366,653	1,342,236
Transfers out	(1,621,963)	(3,129,914)	(3,128,077)	1,837
Total other financing sources (uses)	3,795,422	2,894,503	4,238,576	1,344,073
Net change in funds available	1,858,052	(2,113,737)	16,121,172	18,234,909
Funds available - January 1	28,955,290	37,202,611	37,202,611	-
Funds available- December 31	$ 30,813,342	$ 35,088,874	$ 53,323,783	$ 18,234,909
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			7,227,390	
Loans from other funds			(1,552,382)	
Fund balance - December 31			$ 58,998,791	

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Economic Development			
	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Use	$ 650,000	$ 650,000	$ 1,748,652	$ 1,098,652
Investment earnings	200,000	200,000	323,084	123,084
Other	105,000	105,000	417	(104,583)
Total revenues	955,000	955,000	2,072,153	1,117,153
EXPENDITURES				
General government				
Town manager	3,117,448	3,117,448	713,825	2,403,623
Total general government	3,117,448	3,117,448	713,825	2,403,623
Public safety				
Total public safety	-	-	-	-
Culture and recreation				
Total culture and recreation	-	-	-	-
Total expenditures	3,117,448	3,117,448	713,825	2,403,623
Net change in funds available	(2,162,448)	(2,162,448)	1,358,328	3,520,776
Funds available - January 1	7,729,042	8,576,855	8,576,855	-
Funds available- December 31	$ 5,566,594	$ 6,414,407	$ 9,935,183	$ 3,520,776
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			51,072	
Loans from other funds			-	
Fund balance - December 31			$ 9,986,255	

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Parking			
	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Property	$ 293,149	$ 293,149	$ 117,616	$ (175,533)
Sales	49,149	49,149	104,989	55,840
Investment earnings	25,438	25,438	8,734	(16,704)
Other	12,286	12,286	-	(12,286)
Total revenues	380,022	380,022	231,339	(148,683)
EXPENDITURES				
General government				
Total general government	-	-	-	-
Public safety				
Total public safety	-	-	-	-
Culture and recreation				
Total culture and recreation	-	-	-	-
Public transit	295,202	295,202	223,889	71,313
Interest	339,400	339,400	339,400	-
Total expenditures	634,602	634,602	563,289	71,313
Excess (deficiency) of revenues over (under) expenditures	(254,580)	(254,580)	(331,950)	(77,370)
OTHER FINANCING SOURCES (USES)				
Transfers in	311,524	311,524	311,525	1
Total other financing sources (uses)	311,524	311,524	311,525	1
Net change in funds available	56,944	56,944	(20,425)	(77,369)
Funds available - January 1	1,353,213	1,253,242	1,253,242	-
Funds available- December 31	$ 1,410,157	$ 1,310,186	$ 1,232,817	$ (77,369)
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			-	
Loans from other funds			-	
Fund balance - December 31			$ 1,232,817	

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	TABOR Excess			
	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
EXPENDITURES				
General government				
Total general government	$ -	$ -	$ -	$ -
Public safety				
Total public safety	-	-	-	-
Culture and recreation				
Total culture and recreation	-	-	-	-
Administration	-	436,515	16,970	419,545
Total expenditures	-	436,515	16,970	419,545
Excess (deficiency) of revenues over (under) expenditures	-	(436,515)	(16,970)	419,545
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	108,434	108,434
Transfers out	-	(6,000,000)	(6,000,000)	-
Total other financing sources (uses)	-	(6,000,000)	(5,891,566)	108,434
Net change in funds available	-	(6,436,515)	(5,908,536)	527,979
Funds available - January 1	458,998	6,438,390	6,438,390	-
Funds available- December 31	$ 458,998	$ 1,875	$ 529,854	$ 527,979
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			6,811,730	
Loans from other funds			-	
Fund balance - December 31			$ 7,341,584	

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Total General Fund			
	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Property	$ 1,836,972	$ 1,836,972	$ 1,713,348	$ (123,624)
Sales	59,091,015	59,091,015	63,741,703	4,650,688
Use	650,000	650,000	1,748,652	1,098,652
Motor Vehicle	7,524,454	7,524,454	6,149,215	(1,375,239)
Other taxes	3,780,036	3,780,036	3,766,396	(13,640)
Charges for services	2,997,656	2,997,656	4,686,144	1,688,488
Management fees	4,685,198	4,685,198	4,684,903	(295)
Licenses and permits	181,209	181,209	162,074	(19,135)
Fines and forfeitures	216,946	216,946	309,090	92,144
Investment earnings	865,618	865,618	1,909,455	1,043,837
Intergovernmental	5,053,937	5,767,155	2,142,868	(3,624,287)
Contributions and donations	51,503	51,503	82,871	31,368
Leases	-	58,108	70,767	12,659
Other	656,106	656,106	763,151	107,045
Total revenues	87,590,650	88,361,976	91,930,637	3,568,661
EXPENDITURES				
General government				
Town council	496,437	526,437	519,528	6,909
Town manager	13,554,699	13,884,829	9,560,281	4,324,548
Town attorney	1,385,863	1,455,863	1,443,618	12,245
Finance	7,279,985	7,008,870	5,764,090	1,244,780
Municipal court	489,197	489,197	441,536	47,661
Long-range planning	681,616	681,616	538,326	143,290
Total general government	23,887,797	24,046,812	18,267,379	5,779,433
Public safety				
Police	27,326,079	27,701,711	26,681,170	1,020,541
Fire	26,493,933	26,533,933	25,755,161	778,772
Total public safety	53,820,012	54,235,644	52,436,331	1,799,313
Culture and recreation				
Parks and open space	5,985,195	6,035,195	5,799,642	235,553
Total culture and recreation	5,985,195	6,035,195	5,799,642	235,553
Administration	-	436,515	16,970	419,545
Public transit	295,202	295,202	223,889	71,313
Capital outlay	7,617,442	10,834,991	1,955,022	8,879,969
Interest	339,400	339,400	339,400	-
Total expenditures	91,945,048	96,223,759	79,038,633	17,185,126
Excess (deficiency) of revenues over (under) expenditures	(4,354,398)	(7,861,783)	12,892,004	20,753,787
OTHER FINANCING SOURCES (USES)				
Transfers in	5,728,909	6,335,941	7,786,612	1,450,671
Transfers out	(1,621,963)	(9,129,914)	(9,128,077)	1,837
Total other financing sources (uses)	4,106,946	(2,793,973)	(1,341,465)	1,452,508
Net change in funds available	(247,452)	(10,655,756)	11,550,539	22,206,295
Funds available - January 1	38,496,543	53,471,098	53,471,098	-
Funds available- December 31	$ 38,249,091	$ 42,815,342	$ 65,021,637	$ 22,206,295
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			14,090,192	
Loans from other funds			(1,552,382)	
Fund balance - December 31			$ 77,559,447	

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

TOWN OF CASTLE ROCK, COLORADO

TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Sales	$ 15,797,155	$ 15,797,155	$ 17,028,867	$ 1,231,712
Use	1,380,523	1,380,523	2,257,351	876,828
Motor Vehicle	3,555,668	3,555,668	3,335,803	(219,865)
Investment earnings	51,291	51,291	840,424	789,133
Intergovernmental	10,325,821	10,375,821	10,997,548	621,727
Other	202,954	202,954	71,036	(131,918)
Total revenues	31,313,412	31,363,412	34,531,029	3,167,617
EXPENDITURES				
Administration	654,405	672,805	741,901	(69,096)
Street operations	6,003,518	6,006,312	5,483,889	522,423
Traffic operations	4,272,743	4,402,043	4,473,334	(71,291)
Public transit	100,751	100,751	98,507	2,244
Public works	-	5,500,000	5,372,738	127,262
Engineering	19,131,416	16,802,805	15,126,340	1,676,465
Total public works	30,162,833	33,484,716	31,296,709	2,188,007
Capital Outlay	2,293,072	3,782,580	1,547,094	2,235,486
Debt Service				
Principal	760,000	760,000	760,000	-
Interest	145,000	145,000	145,000	-
Total debt service	905,000	905,000	905,000	-
Total expenditures	33,360,905	38,172,296	33,748,803	4,423,493
Excess (deficiency) of revenues over (under) expenditures	(2,047,493)	(6,808,884)	782,226	7,591,110
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	45,000	45,000
Transfers out	(901,970)	(2,017,420)	(2,017,420)	-
Total other financing sources (uses)	(901,970)	(2,017,420)	(1,972,420)	45,000
Net change in funds available	(2,949,463)	(8,826,304)	(1,190,194)	7,636,110
Funds available - January 1, as previously reported	10,399,061	19,151,784	16,151,784	(3,000,000)
Adjustments (Note 21)	-	-	3,000,000	3,000,000
Fund balances - January, as restated	10,399,061	19,151,784	19,151,784	-
Funds available - December 31	$ 7,449,598	$ 10,325,480	$ 17,961,590	$ 7,636,110
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Interfund Loan			1,000,000	
Fund balance - December 31			$ 18,961,590	

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

TOWN OF CASTLE ROCK, COLORADO

NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
DECEMBER 31, 2025

1. Budgets and Budgetary Accounting

Annual appropriations are adopted for all funds.

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

The Economic Development, Parking, and TABOR Excess activities are budgetary subfunds of the General Fund with separately adopted budgets. For GAAP reporting purposes, these activities are reported as part of the General Fund and are not separate

The accompanying budgetary comparison schedule presents these subfunds separately to demonstrate compliance with legally adopted budgets. The Total General Fund column represents the combined budgetary activities reported as the Town's General Fund.

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

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

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

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

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

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

(e) All appropriations lapse at year-end.



Supplemental Information

Combining and Individual Fund Statements and Schedules

GENERAL FUND

General Fund

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

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	General Funds	Economic Development Fund	Parking Fund	TABOR Excess Fund	Total
ASSETS					
Cash and cash equivalents	$ 38,421,152	$ 4,750,797	$ 660,865	$ 529,854	$ 44,362,668
Investments	13,212,849	4,796,229	-	-	18,009,078
Receivables					
Property taxes	1,586,580	-	-	-	1,586,580
Sales taxes	7,559,884	-	-	-	7,559,884
Accounts, net	2,904,806	26,943	584,496	-	3,516,245
Note receivable	-	500,000	-	-	500,000
Prepaid items	1,501,718	-	-	-	1,501,718
Loans to other funds	7,227,390	51,072	-	6,811,730	14,090,192
Total assets	$ 72,414,379	$ 10,125,041	$ 1,245,361	$ 7,341,584	$ 91,126,365
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 4,395,377	$ 138,786	$ 12,544	$ -	$ 4,546,707
Retainage payable	7,703	-	-	-	7,703
Deposits	3,811,778	-	-	-	3,811,778
Unearned revenues	2,049,499	-	-	-	2,049,499
Loans from other funds	1,552,382	-	-	-	1,552,382
Total liabilities	11,816,739	138,786	12,544	-	11,968,069
Deferred inflows of resources					
Property taxes	1,586,580	-	-	-	1,586,580
Unavailable fund resources	12,269	-	-	-	12,269
Total liabilities and deferred inflows of resources	13,415,588	138,786	12,544	-	13,566,918
Fund balances (deficits)					
Nonspendable	4,557,692	51,072	-	6,715,472	11,324,236
Restricted	3,265,673	-	-	626,112	3,891,785
Committed	4,683,188	9,935,183	1,232,817	96,258	15,947,446
Assigned	8,311,771	-	-	-	8,311,771
Unassigned	38,180,467	-	-	(96,258)	38,084,209
Total fund balances	58,998,791	9,986,255	1,232,817	7,341,584	77,559,447
Total liabilities, deferred inflows of resources and fund balances	$ 72,414,379	$ 10,125,041	$ 1,245,361	$ 7,341,584	$ 91,126,365

TOWN OF CASTLE ROCK, COLORADO

GENERAL FUND
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	General Fund	Economic Development Fund	Parking Fund	TABOR Excess Fund	Total General Funds
REVENUES					
Taxes					
Property	$ 1,595,732	$ -	$ 117,616	$ -	$ 1,713,348
Sales	63,636,714	-	104,989	-	63,741,703
Use	-	1,748,652	-	-	1,748,652
Motor Vehicle	6,149,215	-	-	-	6,149,215
Other taxes	3,766,396	-	-	-	3,766,396
Charges for services	4,686,144	-	-	-	4,686,144
Management fees	4,684,903	-	-	-	4,684,903
Licenses and permits	162,074	-	-	-	162,074
Fines and forfeitures	309,090	-	-	-	309,090
Investment earnings	1,577,637	323,084	8,734	-	1,909,455
Intergovernmental	2,142,868	-	-	-	2,142,868
Contributions and donations	82,871	-	-	-	82,871
Leases	70,767	-	-	-	70,767
Other	762,734	417	-	-	763,151
Total revenues	89,627,145	2,072,153	231,339	-	91,930,637
EXPENDITURES					
Current					
General government	17,553,554	713,825	223,889	16,970	18,508,238
Public safety	52,436,331	-	-	-	52,436,331
Culture and recreation	5,799,642	-	-	-	5,799,642
Capital outlay	1,955,022	-	-	-	1,955,022
Debt service					
Interest	-	-	339,400	-	339,400
Total expenditures	77,744,549	713,825	563,289	16,970	79,038,633
Excess (deficiency) of revenues over (under) expenditures	11,882,596	1,358,328	(331,950)	(16,970)	12,892,004
OTHER FINANCING SOURCES (USES)					
Transfers in	5,102,204	-	311,525	13,598	5,427,327
Transfers out	(3,019,363)	-	-	-	(3,019,363)
Total other financing sources (uses)	2,082,841	-	311,525	13,598	2,407,964
Net change in fund balance	13,965,437	1,358,328	(20,425)	(3,372)	15,299,968
Fund balances - January 1	45,033,354	8,627,927	1,253,242	7,344,956	62,259,479
Fund balances - December 31	$ 58,998,791	$ 9,986,255	$ 1,232,817	$ 7,341,584	$ 77,559,447

OTHER
GOVERNMENTAL FUNDS

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

Non-major Special Revenue Funds

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

Major Capital Project Funds

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

Non-major Capital Project Funds

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Other Governmental Funds
Assets			
Cash and cash equivalents	$ 13,055,038	$ 13,317,325	$ 26,372,363
Investments	55,032	2,811,389	2,866,421
Cash held in Escrow	3,718,081	-	3,718,081
Property taxes	285,406	-	285,406
Sales taxes	509,425	-	509,425
Accounts, net	108,126	17,070	125,196
Leases	1,653,523	-	1,653,523
Prepaid items	9,067	-	9,067
Loans to other funds	-	52,436	52,436
Total assets	$ 19,393,698	$ 16,198,220	$ 35,591,918
Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)			
Liabilities			
Accounts payable	$ 2,262,200	$ 169,615	$ 2,431,815
Unearned revenues	3,758,306	-	3,758,306
Loans from other funds	51,072	7,314,621	7,365,693
Total liabilities	6,071,578	7,484,236	13,555,814
Deferred inflows of resources			
Property taxes	285,406	-	285,406
Leases	1,537,632	-	1,537,632
Total deferred inflows of resources	1,823,038	-	1,823,038
Fund Balances (Deficit)			
Nonspendable	9,067	26,413	35,480
Restricted	1,873,902	4,619,857	6,493,759
Committed	9,635,669	4,935,651	14,571,320
Assigned	-	26,023	26,023
Unassigned	(19,556)	(893,960)	(913,516)
Total fund balances (deficit)	11,499,082	8,713,984	20,213,066
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 19,393,698	$ 16,198,220	$ 35,591,918

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Nonmajor Special Revenue	Nonmajor Capital Projects	Total Other Governmental Funds
REVENUES			
Taxes			
Property	$ 2,234,289	$ -	$ 2,234,289
Sales	5,470,567	-	5,470,567
Use	352,820	1,373,270	1,726,090
Motor Vehicle	550,140	-	550,140
Lodging	661,825	-	661,825
Other taxes	29,422	-	29,422
Charges for services	468,986	-	468,986
Development impact fees	-	1,433,039	1,433,039
Licenses and permits	345,500	-	345,500
Investment earnings	52,389	232,124	284,513
Lease interest	66,466	-	66,466
Intergovernmental	781,494	-	781,494
Contributions and donations	227,110	-	227,110
Leases	66,744	-	66,744
Other	614	50,562	51,176
Total revenues	11,308,366	3,088,995	14,397,361
EXPENDITURES			
Current			
General government	1,961,616	870,956	2,832,572
Culture and recreation	1,806,619	-	1,806,619
Capital outlay	1,249,687	1,432,264	2,681,951
Total expenditures	5,017,922	2,303,220	7,321,142
Excess (deficiency) of revenues over (under) expenditures	6,290,444	785,775	7,076,219
OTHER FINANCING SOURCES (USES)			
Transfers in	701,551	912,559	1,614,110
Transfers out	(4,284,162)	(474,463)	(4,758,625)
Total other financing sources (uses)	(3,582,611)	438,096	(3,144,515)
Net change in fund balances	2,707,833	1,223,871	3,931,704
Fund balances - January 1, as previously reported	7,091,249	7,490,113	14,581,362
Adjustments (Note 21)	1,700,000	-	1,700,000
Fund balances - January 1, as restated	8,791,249	7,490,113	16,281,362
Fund balances (deficits) - December 31	$ 11,499,082	$ 8,713,984	$ 20,213,066



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NON-MAJOR
SPECIAL REVENUE FUNDS

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

Conservation Trust Fund

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

Philip S. Miller Trust Fund

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

Public Art Fund

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

Police Forfeiture Fund

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

Downtown Development Authority TIF Fund

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

Public Safety Fund

The Public Safety Fund is a special revenue fund that accounts for an additional .2% in sales tax as voted on in the November 2024 election. The Public Safety Fund is under the direction of the Finance office and is used exclusively to fund Public Safety expense.

Castle Rock Urban Renewal Authority

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

Parks and Rec Lodging Tax

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

Festival Park Commons GID

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	Conservation Trust	Philip S Miller Trust	Public Art	Police Forfeiture
ASSETS				
Cash and cash equivalents	$ 3,860,965	$ 218,475	$ 319,167	$ 1,526
Investments	5,974	27,078	21,980	-
Cash held in Escrow	3,718,081	-	-	-
Receivables				
Property taxes	-	-	-	-
Sales taxes	-	-	-	-
Accounts	27,841	211	143	-
Leases	1,653,523	-	-	-
Prepaid items	2,024	2,532	-	-
Total assets	$ 9,268,408	$ 248,296	$ 341,290	$ 1,526
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES (DEFICIT)				
Liabilities				
Accounts payable	$ 97,911	$ 16,261	$ 20,055	$ -
Unearned revenues	3,718,306	-	40,000	-
Loans from other funds	-	-	-	-
Total liabilities	3,816,217	16,261	60,055	-
Deferred inflows of resources				
Property taxes	-	-	-	-
Leases	1,537,632	-	-	-
Total liabilities and deferred inflows of resources	5,353,849	16,261	60,055	-
Fund balances (deficits)				
Nonspendable	2,024	2,532	-	-
Restricted	1,086,923	-	-	1,526
Committed	2,825,612	229,503	281,235	-
Unassigned	-	-	-	-
Total fund balances (deficit)	3,914,559	232,035	281,235	1,526
Total liabilities, deferred inflows of resources and fund balances (deficit)	$ 9,268,408	$ 248,296	$ 341,290	$ 1,526

Downtown Development Authority TIF	Public Safety	Castle Rock Urban Renewal Authority	Parks and Rec Lodging Tax	Festival Park Commons GID	Total Non-Major Special Revenue Funds
$ 6,409,124	$ 545,405	$ 31,516	$ 798,044	$ 870,816	$ 13,055,038
-	-	-	-	-	55,032
-	-	-	-	-	3,718,081
-	-	-	-	285,406	285,406
-	509,425	-	-	-	509,425
-	40,492	-	37,143	2,296	108,126
-	-	-	-	-	1,653,523
-	-	-	4,511	-	9,067
$ 6,409,124	$ 1,095,322	$ 31,516	$ 839,698	$ 1,158,518	$ 19,393,698
$ 2,077,644	$ 595	$ -	$ 49,734	$ -	$ 2,262,200
-	-	-	-	-	3,758,306
-	-	51,072	-	-	51,072
2,077,644	595	51,072	49,734	-	6,071,578
-	-	-	-	285,406	285,406
-	-	-	-	-	1,537,632
2,077,644	595	51,072	49,734	285,406	7,894,616
-	-	-	4,511	-	9,067
-	-	-	785,453	-	1,873,902
4,331,480	1,094,727	-	-	873,112	9,635,669
-	-	(19,556)	-	-	(19,556)
4,331,480	1,094,727	(19,556)	789,964	873,112	11,499,082
$ 6,409,124	$ 1,095,322	$ 31,516	$ 839,698	$ 1,158,518	$ 19,393,698

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Conservation Trust	Philip S Miller Trust	Public Art	Police Forfeiture
REVENUES				
Taxes				
Property	$ -	$ -	$ -	$ -
Sales	-	-	-	-
Use	-	-	-	-
Motor Vehicle	-	-	-	-
Lodging	-	-	-	-
Other taxes	-	-	-	-
Charges for services	-	467,781	-	-
Licenses and permits	345,500	-	-	-
Investment earnings	41,474	3,620	3,423	10
Lease interest	66,466	-	-	-
Intergovernmental	781,494	-	-	-
Contributions and donations	-	206,500	20,610	-
Leases	66,744	-	-	-
Other	171	400	30	-
Total revenues	1,301,849	678,301	24,063	10
EXPENDITURES				
Current				
General government	-	-	-	-
Culture and recreation	253,353	1,048,473	19,655	-
Capital outlay	1,071,414	1,588	118,700	-
Total expenditures	1,324,767	1,050,061	138,355	-
Excess (deficiency) of revenues over (under) expenditures	(22,918)	(371,760)	(114,292)	10
OTHER FINANCING SOURCES (USES)				
Transfers in	-	401,551	300,000	-
Transfers out	-	-	-	-
Total other financing sources (uses)	-	401,551	300,000	-
Net change in fund balances	(22,918)	29,791	185,708	10
Fund balances (deficits) - January 1, as previously reported	2,237,477	202,244	95,527	1,516
Adjustments (Note 21)	1,700,000	-	-	-
Fund balances (deficits) - January 1, as restated	3,937,477	202,244	95,527	1,516
Fund balances (deficits) - December 31	$ 3,914,559	$ 232,035	$ 281,235	$ 1,526

Downtown Development Authority TIF	Public Safety	Castle Rock Urban Renewal Authority	Parks and Rec Lodging Tax	Festival Park Commons GID	Total Non-major Special Revenue Funds
$ 1,972,007	$ -	$ -	$ -	$ 262,282	$ 2,234,289
1,094,419	4,376,148	-	-	-	5,470,567
-	352,820	-	-	-	352,820
-	550,140	-	-	-	550,140
-	-	-	661,825	-	661,825
-	-	-	-	29,422	29,422
-	-	1,205	-	-	468,986
-	-	-	-	-	345,500
-	-	-	3,862	-	52,389
-	-	-	-	-	66,466
-	-	-	-	-	781,494
-	-	-	-	-	227,110
-	-	-	-	-	66,744
9	-	-	4	-	614
3,066,435	5,279,108	1,205	665,691	291,704	11,308,366
1,929,371	28,219	63	-	3,963	1,961,616
-	-	-	485,138	-	1,806,619
-	-	-	57,985	-	1,249,687
1,929,371	28,219	63	543,123	3,963	5,017,922
1,137,064	5,250,889	1,142	122,568	287,741	6,290,444
-	-	-	-	-	701,551
-	(4,156,162)	-	(128,000)	-	(4,284,162)
-	(4,156,162)	-	(128,000)	-	(3,582,611)
1,137,064	1,094,727	1,142	(5,432)	287,741	2,707,833
3,194,416	-	(20,698)	795,396	585,371	7,091,249
-	-	-	-	-	1,700,000
3,194,416	-	(20,698)	795,396	585,371	8,791,249
$ 4,331,480	$ 1,094,727	$ (19,556)	$ 789,964	$ 873,112	$ 11,499,082

TOWN OF CASTLE ROCK, COLORADO

CONSERVATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Licenses and permits	$ 146,230	$ 146,230	$ 345,500	$ 199,270
Investment earnings	2,012	2,012	41,474	39,462
Lease interest	-	-	66,466	66,466
Intergovernmental	1,830,495	1,830,495	781,494	(1,049,001)
Leases	44,100	44,100	66,744	22,644
Other	-	-	171	171
Total revenues	2,022,837	2,022,837	1,301,849	(720,988)
EXPENDITURES				
Culture and recreation	305,827	318,270	253,353	64,917
Capital outlay	1,500,000	2,523,327	1,071,414	1,451,913
Total expenditures	1,805,827	2,841,597	1,324,767	1,516,830
Excess (deficiency) of revenues over (under) expenditures	217,010	(818,760)	(22,918)	795,842
Net change in funds available	217,010	(818,760)	(22,918)	795,842
Funds available - January 1	3,669,458	3,937,477	2,237,477	(1,700,000)
Adjustments (Note 21)	-	-	1,700,000	1,700,000
Funds available - January 1, as restated	3,669,458	3,937,477	3,937,477	-
Funds available - December 31	$ 3,886,468	$ 3,118,717	$ 3,914,559	$ 795,842

TOWN OF CASTLE ROCK, COLORADO

PHILIP S MILLER TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Charges for services	$ 897,842	$ 897,842	$ 467,781	$ (430,061)
Investment earnings	12,637	12,637	3,620	(9,017)
Contributions and donations	230,000	230,000	206,500	(23,500)
Other	-	-	400	400
Total revenues	1,140,479	1,140,479	678,301	(462,178)
EXPENDITURES				
Culture and recreation	1,289,575	1,289,575	1,048,473	241,102
Capital outlay	-	-	1,588	(1,588)
Total expenditures	1,289,575	1,289,575	1,050,061	239,514
Excess (deficiency) of revenues over (under) expenditures	(149,096)	(149,096)	(371,760)	(222,664)
OTHER FINANCING SOURCES (USES)				
Transfers in	201,551	301,551	401,551	100,000
Total other financing sources (uses)	201,551	301,551	401,551	100,000
Net change in funds available	52,455	152,455	29,791	(122,664)
Funds available - January 1	618,870	202,244	202,244	-
Funds available - December 31	$ 671,325	$ 354,699	$ 232,035	$ (122,664)

TOWN OF CASTLE ROCK, COLORADO

PUBLIC ART FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Investment earnings	$ 1,873	$ 1,873	$ 3,423	$ 1,550
Contributions and donations	25,000	25,000	20,610	(4,390)
Other	-	-	30	30
Total revenues	26,873	26,873	24,063	(2,810)
EXPENDITURES				
Culture and recreation	306,965	178,265	19,655	158,610
Capital outlay	-	228,700	118,700	110,000
Total expenditures	306,965	406,965	138,355	268,610
Excess (deficiency) of revenues over (under) expenditures	(280,092)	(380,092)	(114,292)	265,800
OTHER FINANCING SOURCES (USES)				
Transfers in	200,000	300,000	300,000	-
Total other financing sources (uses)	200,000	300,000	300,000	-
Net change in funds available	(80,092)	(80,092)	185,708	265,800
Funds available - January 1	80,092	95,527	95,527	-
Funds available - December 31	$ -	$ 15,435	$ 281,235	$ 265,800

TOWN OF CASTLE ROCK, COLORADO

POLICE FORFEITURE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Investment earnings	$ 46	$ 46	$ 10	$ (36)
Total revenues	46	46	10	(36)
Net change in funds available	46	46	10	(36)
Funds available - January 1	1,930	1,516	1,516	-
Funds available - December 31	$ 1,976	$ 1,562	$ 1,526	$ (36)

TOWN OF CASTLE ROCK, COLORADO

DOWNTOWN DEVELOPMENT AUTHORITY TIF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Property	$ 1,594,740	$ 1,594,740	$ 1,972,007	$ 377,267
Sales	1,509,938	1,509,938	1,094,419	(415,519)
Other	-	-	9	9
Total revenues	3,104,678	3,104,678	3,066,435	(38,243)
EXPENDITURES				
General government	1,101,310	1,101,310	1,929,371	(828,061)
Capital outlay	2,303,387	2,303,387	-	2,303,387
Total expenditures	3,404,697	3,404,697	1,929,371	1,475,326
Excess (deficiency) of revenues over (under) expenditures	(300,019)	(300,019)	1,137,064	1,437,083
Net change in funds available	(300,019)	(300,019)	1,137,064	1,437,083
Funds available - January 1	300,019	3,194,416	3,194,416	-
Funds available - December 31	$ -	$ 2,894,397	$ 4,331,480	$ 1,437,083

TOWN OF CASTLE ROCK, COLORADO

PUBLIC SAFETY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Sales	$ 3,750,000	$ 3,750,000	$ 4,376,148	$ 626,148
Use	-	-	352,820	352,820
Motor Vehicle	-	500,000	550,140	50,140
Total revenues	3,750,000	4,250,000	5,279,108	1,029,108
EXPENDITURES				
General government	-	-	28,219	(28,219)
Total expenditures	-	-	28,219	(28,219)
Excess (deficiency) of revenues over (under) expenditures	3,750,000	4,250,000	5,250,889	1,000,889
OTHER FINANCING SOURCES (USES)				
Transfers out	(3,381,475)	(3,881,475)	(4,156,162)	(274,687)
Total other financing sources (uses)	(3,381,475)	(3,881,475)	(4,156,162)	(274,687)
Net change in funds available	368,525	368,525	1,094,727	726,202
Funds available - January 1	-	-	-	-
Funds available - December 31	$ 368,525	$ 368,525	$ 1,094,727	$ 726,202

TOWN OF CASTLE ROCK, COLORADO

CASTLE ROCK URBAN RENEWAL AUTHORITY
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Charges for services	$ 36,693	$ 36,693	$ 1,205	$ (35,488)
Total revenues	36,693	36,693	1,205	(35,488)
EXPENDITURES				
General government	36,693	36,693	63	36,630
Total expenditures	36,693	36,693	63	36,630
Excess (deficiency) of revenues over (under) expenditures	-	-	1,142	1,142
Net change in funds available	-	-	1,142	1,142
Funds available - January 1	30,374	30,374	30,374	-
Funds available - December 31	$ 30,374	$ 30,374	$ 31,516	$ 1,142
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(51,072)	
Fund balance - December 31			$ (19,556)	

TOWN OF CASTLE ROCK, COLORADO

PARKS AND REC LODGING TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Lodging	$ 669,695	$ 669,695	$ 661,825	$ (7,870)
Investment earnings	16,076	16,076	3,862	(12,214)
Other	-	-	4	4
Total revenues	685,771	685,771	665,691	(20,080)
EXPENDITURES				
Culture and recreation	925,767	1,317,359	485,138	832,221
Capital outlay	-	35,808	57,985	(22,177)
Total expenditures	925,767	1,353,167	543,123	810,044
Excess (deficiency) of revenues over (under) expenditures	(239,996)	(667,396)	122,568	789,964
OTHER FINANCING SOURCES (USES)				
Transfers out	(28,000)	(128,000)	(128,000)	-
Total other financing sources (uses)	(28,000)	(128,000)	(128,000)	-
Net change in funds available	(267,996)	(795,396)	(5,432)	789,964
Funds available - January 1	267,996	795,396	795,396	-
Funds available - December 31	$ -	$ -	$ 789,964	$ 789,964

TOWN OF CASTLE ROCK, COLORADO

FESTIVAL PARK COMMONS GID
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Property	$ 285,406	$ 285,406	$ 262,282	$ (23,124)
Taxes-other	-	-	29,422	29,422
Total revenues	285,406	285,406	291,704	6,298
EXPENDITURES				
General government	-	-	3,963	(3,963)
Total expenditures	-	-	3,963	(3,963)
Excess (deficiency) of revenues over (under) expenditures	285,406	285,406	287,741	2,335
OTHER FINANCING SOURCES (USES)				
Transfers out	(285,406)	(285,406)	-	285,406
Total other financing sources (uses)	(285,406)	(285,406)	-	285,406
Net change in funds available	-	-	287,741	287,741
Funds available - January 1	585,371	585,371	585,371	-
Funds available - December 31	$ 585,371	$ 585,371	$ 873,112	$ 287,741

MAJOR CAPITAL PROJECT FUND

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

Transportation Capital Projects Fund

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

Parks and Recreation Capital Projects Fund

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

TOWN OF CASTLE ROCK, COLORADO

TRANSPORTATION CAPITAL PROJECT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Use	$ 1,044,868	$ 1,044,868	$ 1,763,710	$ 718,842
Development impact fees	8,641,377	8,641,377	4,629,006	(4,012,371)
Investment earnings	141,169	141,169	1,808,924	1,667,755
Intergovernmental	3,500,000	4,500,000	22,660,005	18,160,005
Contributions and donations	-	62,182,486	27,039,627	(35,142,859)
Other	-	-	7	7
Total revenues	13,327,414	76,509,900	57,901,279	(18,608,621)
EXPENDITURES				
Public works	-	-	34,065	(34,065)
Capital outlay	12,000,000	108,744,377	49,747,455	58,996,922
Total expenditures	12,000,000	108,744,377	49,747,455	58,996,922
DEBT SERVICE				
Principal	905,000	905,000	905,000	-
Interest	357,749	357,749	357,749	-
Total debt service	1,262,749	1,262,749	1,262,749	-
Total expenditures	13,262,749	110,007,126	51,044,269	58,962,857
Excess (deficiency) of revenues over (under) expenditures	64,665	(33,497,226)	6,857,010	40,354,236
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,000,000	1,000,000	-
Transfers out	(2,000,000)	(2,000,000)	(1,942,500)	57,500
Total other financing sources (uses)	(2,000,000)	(1,000,000)	(942,500)	57,500
Net change in funds available	(1,935,335)	(34,497,226)	5,914,510	40,411,736
Funds available - January 1, as previously reported	29,634,770	33,134,770	36,134,770	3,000,000
Adjustments (Note 21)	-	-	(3,000,000)	(3,000,000)
Fund balances - January, as restated	29,634,770	33,134,770	33,134,770	-
Funds available - December 31	$ 27,699,435	$ (1,362,456)	$ 39,049,280	$ 40,411,736

TOWN OF CASTLE ROCK, COLORADO

PARKS AND RECREATION CAPITAL
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budget			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
REVENUES				
Development impact fees	$ 4,510,916	$ 4,510,916	$ 2,800,794	$ (1,710,122)
Investment earnings	71,220	71,220	2,026,517	1,955,297
Other	-	-	52	52
Total revenues	4,582,136	4,582,136	4,827,363	245,227
EXPENDITURES				
Culture and recreation	110,500	1,220,732	758,205	462,527
Capital outlay	-	85,779,141	12,830,000	72,949,141
Principal	5,050,000	5,050,000	5,050,000	-
Interest	242,613	1,414,963	1,319,264	95,699
Bond issuance cost	-	1,500,000	556,053	943,947
Total expenditures	5,403,113	94,964,836	20,513,522	74,451,314
Excess (deficiency) of revenues over (under) expenditures	(820,977)	(90,382,700)	(15,686,159)	74,696,541
OTHER FINANCING SOURCES (USES)				
Debt Proceeds	-	76,500,000	75,570,473	(929,527)
Total other financing sources (uses)	-	76,500,000	75,570,473	(929,527)
Net change in funds available	(820,977)	(13,882,700)	59,884,314	73,767,014
Funds available - January 1, as previously reported	4,458,417	16,535,332	18,235,332	1,700,000
Adjustments (Note 21)	-	-	(1,700,000)	(1,700,000)
Fund balances - January, as restated	4,458,417	16,535,332	16,535,332	-
Funds available - December 31	$ 3,637,440	$ 2,652,632	$ 76,419,646	$ 73,767,014

NON-MAJOR

CAPITAL PROJECT FUNDS

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

Municipal Facilities Capital Fund

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

Fire Capital Fund

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

Police Capital Fund

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

General Long-Term Planning Fund

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR CAPITAL PROJECT FUNDS
COMBINING BALANCE SHEET
DECEMBER 31, 2025

	Municipal Facilities Capital	Fire Capital	Police Capital	General Long-Term Planning	Total Non-major Capital Funds
ASSETS					
Cash and cash equivalents	$ 2,014,389	$ 6,925,132	$ 331,678	$ 4,046,126	$ 13,317,325
Investments	648,802	1,030,885	88,326	1,043,376	2,811,389
Accounts, net	4,049	5,800	657	6,564	17,070
Loans to other funds	52,436	-	-	-	52,436
Total assets	$ 2,719,676	$ 7,961,817	$ 420,661	$ 5,096,066	$ 16,198,220
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ -	$ 9,200	$ -	$ 160,415	$ 169,615
Loans from other funds	-	6,000,000	1,314,621	-	7,314,621
Total liabilities	-	6,009,200	1,314,621	160,415	7,484,236
Fund balances (deficits)					
Nonspendable	26,413	-	-	-	26,413
Restricted	2,667,240	1,952,617	-	-	4,619,857
Committed	-	-	-	4,935,651	4,935,651
Assigned	26,023	-	-	-	26,023
Unassigned	-	-	(893,960)	-	(893,960)
Total fund balances (deficits)	2,719,676	1,952,617	(893,960)	4,935,651	8,713,984
Total liabilities and fund balances (deficits)	$ 2,719,676	$ 7,961,817	$ 420,661	$ 5,096,066	$ 16,198,220

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED DECEMBER 31, 2025

	Municipal Facilities Capital	Fire Capital	Police Capital	General Long-Term Planning	Total Non-major Capital Funds
REVENUES					
Taxes					
Use	$ -	$ -	$ -	$ 1,373,270	$ 1,373,270
Development impact fees	264,993	761,787	406,259	-	1,433,039
Investment earnings	51,429	62,267	13,175	105,253	232,124
Other	-	-	-	50,562	50,562
Total revenues	316,422	824,054	419,434	1,529,085	3,088,995
EXPENDITURES					
Current					
General government	-	-	-	870,956	870,956
Capital outlay	-	699,736	-	732,528	1,432,264
Total expenditures	-	699,736	-	1,603,484	2,303,220
Excess (deficiency) of revenues over (under) expenditures	316,422	124,318	419,434	(74,399)	785,775
OTHER FINANCING SOURCES (USES)					
Transfers in	1,171	-	-	911,388	912,559
Transfers out	-	-	(474,463)	-	(474,463)
Total other financing sources (uses)	1,171	-	(474,463)	911,388	438,096
Net change in fund balances	317,593	124,318	(55,029)	836,989	1,223,871
Fund balances (deficits) - January 1	2,402,083	1,828,299	(838,931)	4,098,662	7,490,113
Fund balances (deficits) - December 31	$ 2,719,676	$ 1,952,617	$ (893,960)	$ 4,935,651	$ 8,713,984

TOWN OF CASTLE ROCK, COLORADO

MUNICIPAL FACILITIES CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive
	Original	Final	Budgetary Actual	(Negative)
REVENUES				
Development impact fees	$ 250,019	$ 250,019	$ 264,993	$ 14,974
Investment earnings	55,989	55,989	51,429	(4,560)
Total revenues	306,008	306,008	316,422	10,414
OTHER FINANCING SOURCES (USES)				
Transfers in	26,810	26,810	26,810	-
Total other financing sources (uses)	26,810	26,810	26,810	-
Net change in funds available	332,818	332,818	343,232	10,414
Funds available - January 1	2,385,786	2,324,008	2,324,008	-
Funds available - December 31	$ 2,718,604	$ 2,656,826	$ 2,667,240	$ 10,414
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans to other funds			52,436	
Fund balance - December 31			$ 2,719,676	

TOWN OF CASTLE ROCK, COLORADO

FIRE CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive
	Original	Final	Budgetary Actual	(Negative)
REVENUES				
Development impact fees	$ 727,219	$ 727,219	$ 761,787	$ 34,568
Investment earnings	149,752	149,752	62,267	(87,485)
Total revenues	876,971	876,971	824,054	(52,917)
EXPENDITURES				
Capital outlay	6,300,000	7,693,655	699,736	6,993,919
Total expenditures	6,300,000	7,693,655	699,736	6,993,919
Excess (deficiency) of revenues over (under) expenditures	(5,423,029)	(6,816,684)	124,318	6,941,002
OTHER FINANCING SOURCES (USES)				
Transfers in	-	6,000,000	6,000,000	-
Transfers out	(349,475)	(349,475)	-	349,475
Total other financing sources (uses)	(349,475)	5,650,525	6,000,000	349,475
Net change in funds available	(5,772,504)	(1,166,159)	6,124,318	7,290,477
Funds available - January 1	6,024,515	1,828,299	1,828,299	-
Funds available - December 31	$ 252,011	$ 662,140	$ 7,952,617	$ 7,290,477
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(6,000,000)	
Fund balance - December 31			$ 1,952,617	

TOWN OF CASTLE ROCK, COLORADO

POLICE CAPITAL FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Development impact fees	$ 382,918	$ 382,918	$ 406,259	$ 23,341
Investment earnings	16,703	16,703	13,175	(3,528)
Total revenues	399,621	399,621	419,434	19,813
OTHER FINANCING SOURCES (USES)				
Transfers out	(887,021)	(964,021)	(647,565)	316,456
Total other financing sources (uses)	(887,021)	(964,021)	(647,565)	316,456
Net change in funds available	(487,400)	(564,400)	(228,131)	336,269
Funds available - January 1	611,715	648,792	648,792	-
Funds available - December 31	$ 124,315	$ 84,392	$ 420,661	$ 336,269
RECONCILIATION OF FUNDS AVAILABLE TO GAAP FUND BALANCE				
Loans from other funds			(1,314,621)	
Fund balance - December 31			$ (893,960)	

TOWN OF CASTLE ROCK, COLORADO

GENERAL LONG-TERM PLANNING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Taxes	$ 813,700	$ 813,700	$ 1,373,270	$ 559,570
Investment earnings	51,474	51,474	105,253	53,779
Other	-	-	50,562	50,562
Total revenues	865,174	865,174	1,529,085	663,911
EXPENDITURES				
General government	793,556	1,319,988	870,956	449,032
Capital outlay	1,043,978	1,208,259	732,528	475,731
Total expenditures	1,837,534	2,528,247	1,603,484	924,763
Excess (deficiency) of revenues over (under) expenditures	(972,360)	(1,663,073)	(74,399)	1,588,674
OTHER FINANCING SOURCES (USES)				
Transfers in	911,388	911,388	911,388	-
Total other financing sources (uses)	911,388	911,388	911,388	-
Net change in funds available	(60,972)	(751,685)	836,989	1,588,674
Funds available - January 1	1,726,533	4,098,662	4,098,662	-
Funds available - December 31	$ 1,665,561	$ 3,346,977	$ 4,935,651	$ 1,588,674

NON-MAJOR
ENTERPRISE FUNDS

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

Golf Fund

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

Community Center Fund

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

Development Services Fund

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

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Golf	Community Center	Development Services	Total Other Enterprise Funds
ASSETS				
Current Assets				
Cash and cash equivalents	$ 3,341,919	$ 517,474	$ 2,438,917	$ 6,298,310
Investments	478,691	72,572	3,774,803	4,326,066
Sales taxes	-	535,517	-	535,517
Accounts	3,670	120,472	20,774	144,916
Prepaid items	24,653	104,827	133,211	262,691
Inventory	100,626	-	-	100,626
Total current assets	3,949,559	1,350,862	6,367,705	11,668,126
Non-current assets				
Capital assets				
Land	5,412,479	181,965	-	5,594,444
Easements	-	-	6,100	6,100
Construction in progress	453,133	-	-	453,133
Buildings and improvements	2,461,130	11,172,526	5,126,928	18,760,584
Machinery and equipment	1,801,619	1,324,515	187,296	3,313,430
Other structures and improvements	1,071,921	1,362,850	-	2,434,771
Accumulated depreciation	(2,945,509)	(7,601,232)	(1,221,634)	(11,768,375)
Total capital assets (net of accumulated depreciations)	8,254,773	6,440,624	4,098,690	18,794,087
Restricted cash and cash equivalents	500,815	-	-	500,815
Total noncurrent assets	8,755,588	6,440,624	4,098,690	19,294,902
Total assets	12,705,147	7,791,486	10,466,395	30,963,028
DEFERRED OUTFLOWS OF RESOURCES				
Loss on refundings	71,751	-	-	71,751
LIABILITIES				
Current liabilities				
Accounts payable	578,071	438,422	182,750	1,199,243
Accrued interest payable	2,276	-	-	2,276
Deposits	(6,190)	5,400	11,890	11,100
Revenue bonds payable-current	470,000	-	-	470,000
Accrued leave-current	78,368	138,083	307,480	523,931
Unearned revenues	128,829	1,964	40,000	170,793
Total current liabilities	1,251,354	583,869	542,120	2,377,343
Noncurrent liabilities				
Revenue bonds net unamortized premiums (discounts)	485,000	-	-	485,000
Accrued leave	161,586	379,714	286,842	828,142
Loans from other funds	964,552	1,112,383	-	2,076,935
Total noncurrent liabilities	1,611,138	1,492,097	286,842	3,390,077
Total liabilities	2,862,492	2,075,966	828,962	5,767,420
NET POSITION				
Net investment in capital assets	7,644,795	6,440,624	4,092,738	18,178,157
Unrestricted	2,269,611	(725,104)	5,544,695	7,089,202
Total net position	$ 9,914,406	$ 5,715,520	$ 9,637,433	$ 25,267,359

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

	Golf	Community Center	Development Services	Total Other Enterprise Funds
OPERATING REVENUES				
Charges for services	$ 5,917,749	$ 6,315,956	$ 7,829,051	$ 20,062,756
Intergovernmental	-	23,755	-	23,755
Contributions and donations	-	34,199	-	34,199
Other	1,918	14,882	792	17,592
Total operating revenues	5,919,667	6,388,792	7,829,843	20,138,302
OPERATING EXPENSES				
Operations	4,162,115	11,378,186	6,336,315	21,876,616
Depreciation	320,020	518,406	149,460	987,886
Total operating expenses	4,482,135	11,896,592	6,485,775	22,864,502
Operating income (loss)	1,437,532	(5,507,800)	1,344,068	(2,726,200)
NONOPERATING REVENUES (EXPENSES)				
Taxes	-	5,369,548	-	5,369,548
Investment earnings	62,240	27,379	213,914	303,533
Interest expense	(77,640)	-	-	(77,640)
Agency and other fees	(300)	-	-	(300)
Total non-operating revenues (expenses)	(15,700)	5,396,927	213,914	5,595,141
Net income (loss) before contributions and transfers	1,421,832	(110,873)	1,557,982	2,868,941
CONTRIBUTIONS AND TRANSFERS				
Transfers out	(18,696)	(30,790)	-	(49,486)
Total contributions and transfers	(18,696)	(30,790)	-	(49,486)
Change in fund net position	1,403,136	(141,663)	1,557,982	2,819,455
Net Position - January 1	8,511,270	5,857,183	8,079,451	22,447,904
Net Position - December 31	$ 9,914,406	$ 5,715,520	$ 9,637,433	$ 25,267,359

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Golf	Community Center	Development Services	Total Other Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers and users	$ 5,879,011	$ 6,317,949	$ 7,667,575	$ 19,864,535
Payments to suppliers	(1,761,595)	(3,869,224)	(1,005,806)	(6,636,625)
Payments to employees	(2,215,064)	(7,254,370)	(5,252,901)	(14,722,335)
Net cash provided by (used in) operating activities	1,902,352	(4,805,645)	1,408,868	(1,494,425)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES				
Cash transfers out	(18,696)	(30,790)	-	(49,486)
Cash transfers in	-	-	-	-
Receipts from taxes	-	5,342,958	-	5,342,958
Net cash provided by (used in) non-capital financing activities	(18,696)	5,312,168	-	5,293,472
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Interfund loans	(281,861)	(129,961)	-	(411,822)
Acquisition of capital assets	(217,941)	(208,654)	(42,881)	(469,476)
Principal paid on bonds and COPs payable	(460,000)	-	-	(460,000)
Interest paid on bonds and COPs payable	(40,469)	-	-	(40,469)
Bond issue costs and agency fees	(300)	-	-	(300)
Net cash used in capital and related financing activities	(1,000,571)	(338,615)	(42,881)	(1,382,067)
CASH FLOWS FROM INVESTING ACTIVITIES				
Investment earnings	55,035	24,962	142,869	222,866
Decrease (Increase) in equity in pooled investments	(17,058)	(9,972)	(111,486)	(138,516)
Net cash provided by investing activities	37,977	14,990	31,383	84,350
Net increase (decrease) in cash and cash equivalents	921,062	182,898	1,397,370	2,501,330
Cash and cash equivalents - January 1	2,921,672	334,576	1,041,547	4,297,795
Cash and cash equivalents - December 31	$ 3,842,734	$ 517,474	$ 2,438,917	$ 6,799,125
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION				
Unrestricted cash and cash equivalents	$ 3,341,919	$ 517,474	$ 2,438,917	$ 6,298,310
Restricted cash and cash equivalents	500,815	-	-	500,815
Total cash and cash equivalents	$ 3,842,734	$ 517,474	$ 2,438,917	$ 6,799,125

TOWN OF CASTLE ROCK, COLORADO

NON-MAJOR PROPRIETARY FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Golf	Community Center	Development Services	Total Other Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES				
Operating income (loss)	$ 1,437,532	$ (5,507,800)	$ 1,344,068	$ (2,726,200)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities				
Depreciation	320,020	518,406	149,460	987,886
Changes in operating assets and liabilities				
(Increase) decrease in assets				
Accounts receivable	4,165	(59,718)	82	(55,471)
Prepaid items	(6,896)	(74,437)	(8,043)	(89,376)
Inventory	19,579	-	-	19,579
Increase (decrease) in liabilities				
Accounts payable	128,802	156,679	22,880	308,361
Accrued leave	43,973	172,350	60,421	276,744
Unearned revenue	(38,633)	(3,625)	(160,000)	(202,258)
Deposits	(6,190)	(7,500)	-	(13,690)
Total adjustments	464,820	702,155	64,800	1,231,775
Net cash provided by (used in) operating activities	$ 1,902,352	$ (4,805,645)	$ 1,408,868	$ (1,494,425)
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES				
Payables incurred for purchase of capital assets	$ (227,545)	$ (5,952)	$ -	$ (233,497)
Amortization of premium, discount and deferred loss on refunding	38,267	-	-	38,267
Increase (decrease) in fair value of investments	8,955	6,022	70,798	85,775
Noncash investing, capital and financing activities	$ (180,323)	$ 70	$ 70,798	$ (109,455)



Enterprise Funds Budgetary Schedules

Water Fund

Water Resources Fund

Stormwater Fund

Wastewater Fund

Golf Fund

Community Center Fund

Development Services Fund

TOWN OF CASTLE ROCK, COLORADO

WATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	$ 22,290,978	$ 22,290,978	$ 20,585,758	$ (1,705,220)
System development fees	3,459,742	3,459,742	2,572,234	(887,508)
Fines and forfeitures	320,300	320,300	340,125	19,825
Investment earnings	359,143	359,143	726,821	367,678
Intergovernmental	300,700	300,700	(100,000)	(400,700)
Other	248,987	248,987	179,231	(69,756)
Total revenues	26,979,850	26,979,850	24,304,169	(2,675,681)
OPERATING EXPENDITURES				
Administration	2,674,999	2,683,567	2,645,975	37,592
Operations support	15,301,891	16,391,368	13,541,064	2,850,304
Capital outlay	11,133,772	16,383,961	5,411,280	10,972,681
Total operating expenditures	29,110,662	35,458,896	21,598,319	13,860,577
DEBT SERVICE				
Principal	625,000	625,000	625,000	-
Interest	64,000	64,000	61,396	2,604
Agency fees	-	-	1,613	(1,613)
Total debt service	689,000	689,000	688,009	991
Total expenditures	29,799,662	36,147,896	22,286,328	13,861,568
Excess (deficiency) of revenues over (under) expenditures	(2,819,812)	(9,168,046)	2,017,841	11,185,887
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	(1,178,223)	(1,178,223)	(1,178,224)	(1)
Interfund loan interest	(72,300)	(72,300)	(72,300)	-
Capital asset contribution	-	-	112,580	112,580
Transfers out	-	(51,000)	(43,070)	7,930
Total other financing sources (uses)	(1,250,523)	(1,301,523)	(1,181,014)	120,509
Net change in funds available	(4,070,335)	(10,469,569)	836,827	11,306,396
Funds available - January 1	15,243,313	16,122,464	16,122,464	-
Funds available - December 31	$ 11,172,978	$ 5,652,895	$ 16,959,291	$ 11,306,396

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	836,827
Depreciation expense	(9,070,402)
Capital asset contributions	4,227,262
Capital outlay	5,411,280
Principal paid	625,000
Loss on disposal of capital assets	(422,036)
Amortization expense	38,353
Accrued leave	413,547
Interfund loan payments	1,178,224
Change in net position	$ 3,238,055

TOWN OF CASTLE ROCK, COLORADO

WATER RESOURCES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	$ 14,883,794	$ 14,883,794	$ 15,394,534	$ 510,740
System development fees	16,600,235	16,600,235	15,224,109	(1,376,126)
Fines and forfeitures	187,985	187,985	146,521	(41,464)
Investment earnings	1,219,795	1,219,795	4,554,759	3,334,964
Other	2,704,588	2,704,588	1,262,820	(1,441,768)
Total revenues	35,596,397	35,596,397	36,582,743	986,346
OPERATING EXPENDITURES				
Administration	886,869	876,669	796,943	79,726
Operations support	12,873,339	14,637,980	12,709,707	1,928,273
Capital outlay	89,404,392	128,554,089	38,299,224	90,254,865
Total operating expenditures	103,164,600	144,068,738	51,805,874	92,262,864
DEBT SERVICE				
Principal	3,315,000	3,315,000	3,315,000	-
Interest	4,403,050	4,403,050	2,354,238	2,048,812
Agency fees	-	-	600	(600)
Total debt service	7,718,050	7,718,050	5,669,838	2,048,212
Total expenditures	110,882,650	151,786,788	57,475,712	94,311,076
Excess (deficiency) of revenues over (under) expenditures	(75,286,253)	(116,190,391)	(20,892,969)	95,297,422
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	148,504	148,504	108,714	(39,790)
Interfund loan interest	37,885	37,885	28,417	(9,468)
Transfers out	(49,210)	(276,210)	(225,633)	50,577
Proceeds from issuance of debt	55,000,000	55,000,000	-	(55,000,000)
Total other financing sources (uses)	55,137,179	54,910,179	(88,502)	(54,998,681)
Net change in funds available	(20,149,074)	(61,280,212)	(20,981,471)	40,298,741
Funds available - January 1	51,807,725	92,473,789	92,473,789	-
Funds available - December 31	$ 31,658,651	$ 31,193,577	$ 71,492,318	$ 40,298,741

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	(20,981,471)
Depreciation expense	(3,779,120)
Capital outlay	38,299,224
Principal paid	3,315,000
Interfund loan principal	(108,714)
Loss on disposal of capital assets	(186,083)
Amortization expense	773,114
Accrued leave	(259,136)
Change in net position	$ 17,072,814

TOWN OF CASTLE ROCK, COLORADO

STORMWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Charges for services	$ 4,595,172	$ 4,595,172	$ 4,585,850	$ (9,322)
System development fees	1,496,036	1,496,036	1,490,354	(5,682)
Fines and forfeitures	25	25	-	(25)
Investment earnings	127,493	127,493	315,885	188,392
Other	172,401	172,401	1,898,208	1,725,807
Total revenues	6,391,127	6,391,127	8,290,297	1,899,170
OPERATING EXPENDITURES				
Administration	947,592	945,592	897,414	48,178
Operations support	3,079,267	3,160,267	2,743,134	417,133
Capital outlay	2,167,079	5,560,530	2,974,819	2,585,711
Total operating expenditures	6,193,938	9,666,389	6,615,367	3,051,022
DEBT SERVICE				
Principal	1,030,000	1,030,000	1,030,000	-
Interest	127,200	127,200	124,665	2,535
Total debt service	1,157,200	1,157,200	1,154,665	2,535
Total expenditures	7,351,138	10,823,589	7,770,032	3,053,557
Excess (deficiency) of revenues over (under) expenditures	(960,011)	(4,432,462)	520,265	4,952,727
Net change in funds available	(960,011)	(4,432,462)	520,265	4,952,727
Funds available - January 1	5,396,229	6,865,869	6,865,869	-
Funds available - December 31	$ 4,436,218	$ 2,433,407	$ 7,386,134	$ 4,952,727

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	520,265
Depreciation expense	(3,854,539)
Capital asset contributions	3,578,680
Capital outlay	2,974,819
Principal paid	1,030,000
Accrued leave	(101,842)
Change in net position	$ 4,147,383

TOWN OF CASTLE ROCK, COLORADO

WASTEWATER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	$ 12,284,085	$ 12,284,085	$ 12,545,939	$ 261,854
System development fees	2,077,413	2,077,413	1,448,739	(628,674)
Fines and forfeitures	25	25	-	(25)
Investment earnings	537,919	537,919	1,128,373	590,454
Intergovernmental	6,700,000	6,700,000	1,192,129	(5,507,871)
Other	31,110	128,305	410,921	282,616
Total revenues	21,630,552	21,727,747	16,726,101	(5,001,646)
OPERATING EXPENDITURES				
Administration	1,295,724	1,299,724	1,199,231	100,493
Operations support	9,351,067	9,432,367	9,203,796	228,571
Capital outlay	12,460,664	15,245,458	5,471,616	9,773,842
Total expenditures	23,107,455	25,977,549	15,874,643	10,102,906
Excess (deficiency) of revenues over (under) expenditures	(1,476,903)	(4,249,802)	851,458	5,101,260
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	1,178,223	1,178,223	1,178,224	1
Interfund loan interest	72,300	72,300	72,300	-
Transfers out	-	(318,241)	-	318,241
Total other financing sources (uses)	1,250,523	932,282	1,250,524	318,242
Net change in funds available	(226,380)	(3,317,520)	2,101,982	5,419,502
Funds available - January 1	22,673,128	24,494,991	24,494,991	-
Funds available - December 31	$ 22,446,748	$ 21,177,471	$ 26,596,973	$ 5,419,502

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	2,101,982
Depreciation expense	(3,307,627)
Capital asset contributions	4,401,903
Capital outlay	5,471,616
Interfund loan principal	(1,178,224)
Loss on disposal of capital assets	(48,970)
Accrued leave	(206,325)
Net loss from joint venture	(678,061)
Change in net position	$ 6,556,294

TOWN OF CASTLE ROCK, COLORADO

GOLF FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for services	$ 4,940,076	$ 5,265,294	$ 5,917,749	$ 652,455
Investment earnings	44,327	44,327	62,240	17,913
Other	-	-	1,918	1,918
Total revenues	4,984,403	5,309,621	5,981,907	672,286
OPERATING EXPENDITURES				
Administration	489,915	502,077	551,523	(49,446)
Operations support	1,185,086	1,260,708	1,248,552	12,156
Food and Beverages	775,042	876,813	866,979	9,834
Maintenance	1,404,908	1,540,571	1,451,088	89,483
Capital outlay	405,830	692,381	467,425	224,956
Total operating expenditures	4,260,781	4,872,550	4,585,567	286,983
DEBT SERVICE				
Principal	460,000	460,000	460,000	-
Interest	40,469	40,469	39,373	1,096
Agency fees	2,500	2,500	300	2,200
Total debt service	502,969	502,969	499,673	3,296
Total expenditures	4,763,750	5,375,519	5,085,240	290,279
Excess (deficiency) of revenues over (under) expenditures	220,653	(65,898)	896,667	962,565
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	(282,349)	(282,349)	(281,861)	488
Interfund loan interest	(18,718)	(18,718)	(18,696)	22
Total other financing sources (uses)	(301,067)	(301,067)	(300,557)	510
Net change in funds available	(80,414)	(366,965)	596,110	963,075
Funds available - January 1	2,593,709	3,115,862	3,115,862	-
Funds available - December 31	$ 2,513,295	$ 2,748,897	$ 3,711,972	$ 963,075

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	596,110
Depreciation expense	(320,020)
Capital outlay	467,425
Principal paid	460,000
Amortization expense	(38,267)
Accrued leave	(43,973)
Interfund loan payments	281,861
Change in net position	$ 1,403,136

TOWN OF CASTLE ROCK, COLORADO

COMMUNITY CENTER FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets		Budgetary Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	$ 5,061,933	$ 5,061,933	$ 5,369,548	$ 307,615
Charges for services	6,726,240	6,726,240	6,315,956	(410,284)
Investment earnings	90,381	90,381	27,379	(63,002)
Intergovernmental	111,744	111,744	23,755	(87,989)
Other	73,441	73,441	49,081	(24,360)
Total revenues	12,063,739	12,063,739	11,785,719	(278,020)
OPERATING EXPENDITURES				
Administration	80,777	80,777	69,918	10,859
Operations support	11,182,066	11,555,209	11,135,917	419,292
Capital outlay	323,763	323,763	207,277	116,486
Total expenditures	11,586,606	11,959,749	11,413,112	546,637
Excess (deficiency) of revenues over (under) expenditures	477,133	103,990	372,607	268,617
OTHER FINANCING SOURCES (USES)				
Interfund loan principal	(129,961)	(129,961)	(129,961)	-
Interfund loan interest	(18,635)	(18,635)	(18,635)	-
Transfers out	(11,576)	(11,576)	(12,155)	(579)
Total other financing sources (uses)	(160,172)	(160,172)	(160,751)	(579)
Net change in funds available	316,961	(56,182)	211,856	268,038
Funds available - January 1	481,634	687,649	687,649	-
Funds available - December 31	$ 798,595	$ 631,467	$ 899,505	$ 268,038
RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)				
Net change in fund balances			211,856	
Depreciation expense			(518,406)	
Capital outlay			207,276	
Accrued leave			(172,350)	
Interfund loan payments			129,961	
Change in net position			$ (141,663)	

TOWN OF CASTLE ROCK, COLORADO

DEVELOPMENT SERVICES FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Charges for services	$ 5,946,536	$ 5,946,536	$ 7,829,051	$ 1,882,515
Investment earnings	30,688	30,688	213,914	183,226
Other	-	-	792	792
Total revenues	5,977,224	5,977,224	8,043,757	2,066,533
OPERATING EXPENDITURES				
Administration	3,942,131	3,942,131	3,300,646	641,485
Operations support	3,883,712	3,883,712	2,975,248	908,464
Capital outlay	48,704	48,704	42,881	5,823
Total expenditures	7,874,547	7,874,547	6,318,775	1,555,772
Excess (deficiency) of revenues over (under) expenditures	(1,897,323)	(1,897,323)	1,724,982	3,622,305
Net change in funds available	(1,897,323)	(1,897,323)	1,724,982	3,622,305
Funds available - January 1	3,454,478	4,403,700	4,403,700	-
Funds available - December 31	$ 1,557,155	$ 2,506,377	$ 6,128,682	$ 3,622,305

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	1,724,982
Depreciation expense	(149,460)
Capital outlay	42,882
Accrued leave	(60,422)
Change in net position	$ 1,557,982

INTERNAL SERVICE FUNDS

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

Employee Benefits Fund

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

Fleet Services Fund

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

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
DECEMBER 31, 2025

	Employee Benefits	Fleet Services	Total Internal Service Funds
ASSETS			
Current assets			
Cash and cash equivalents	$ 7,608,202	$ 13,804,090	$ 21,412,292
Investments	2,357,533	161,972	2,519,505
Accounts	13,379	1,733	15,112
Prepaid items	7,327	21,794	29,121
Total current assets	9,986,441	13,989,589	23,976,030
Noncurrent assets			
Capital assets			
Construction in progress	-	7,395,221	7,395,221
Buildings and improvements	-	43,590	43,590
Machinery and equipment	-	34,746,084	34,746,084
Accumulated depreciation	-	(26,417,897)	(26,417,897)
Total noncurrent assets	-	15,766,998	15,766,998
Total assets	9,986,441	29,756,587	39,743,028
LIABILITIES			
Current liabilities			
Accounts payable	1,042,844	97,750	1,140,594
Accrued leave-current	-	17,632	17,632
Unearned revenues	926,047	-	926,047
Total current liabilities	1,968,891	115,382	2,084,273
Total liabilities	1,968,891	115,382	2,084,273
NET POSITION			
Net investment in capital assets	-	15,701,905	15,701,905
Unrestricted	8,017,550	13,939,300	21,956,850
Total net position	$ 8,017,550	$ 29,641,205	$ 37,658,755

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
FOR THE YEAR ENDED DECEMBER 31, 2025

	Employee Benefits	Fleet Services	Total Internal Service Funds
OPERATING REVENUES			
Charges for services	$ 10,094,223	$ 6,777,470	$ 16,871,693
Other	4,265,233	4,987	4,270,220
Total operating revenues	14,359,456	6,782,457	21,141,913
OPERATING EXPENSES			
Cost of sales and services	12,670,537	1,742,943	14,413,480
Depreciation	-	2,728,637	2,728,637
Total operating expenditures	12,670,537	4,471,580	17,142,117
Operating income (loss)	1,688,919	2,310,877	3,999,796
NON-OPERATING REVENUES/(EXPENSES)			
Investment earnings	276,535	482,157	758,692
Gain on disposal of capital assets	-	242,174	242,174
Total non-operating revenues/(expenses)	276,535	724,331	1,000,866
Net income (loss) before contributions and transfers	1,965,454	3,035,208	5,000,662
CONTRIBUTIONS AND TRANSFERS			
Transfers in	-	2,141,243	2,141,243
Total contributions and transfers	-	2,141,243	2,141,243
Change in net position	1,965,454	5,176,451	7,141,905
Total net position - January 1	6,052,096	24,464,754	30,516,850
Total net position - December 31	$ 8,017,550	$ 29,641,205	$ 37,658,755

TOWN OF CASTLE ROCK, COLORADO

INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Employee Benefits	Fleet Services	Total Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	$ 4,468,111	$ 131,461	$ 4,599,572
Receipts from interfund services provided	10,094,223	6,777,470	16,871,693
Payments to suppliers	(12,443,468)	(1,067,744)	(13,511,212)
Payments to employees	(175,322)	(858,612)	(1,033,934)
Net cash provided by operating activities	1,943,544	4,982,575	6,926,119
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Cash transfers in	-	2,141,243	2,141,243
Net cash provided by non-capital financing activities	-	2,141,243	2,141,243
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition of capital assets	-	(6,454,136)	(6,454,136)
Proceeds from sale of capital assets	-	242,174	242,174
Net cash used in capital and related financing activities	-	(6,211,962)	(6,211,962)
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment earnings	232,667	479,144	711,811
Increase in equity in pooled investments	(70,443)	(4,840)	(75,283)
Net cash provided by invest activities	162,224	474,304	636,528
Net increase in cash and cash equivalents	2,105,768	1,386,160	3,491,928
Cash and cash equivalents - January 1	5,502,434	12,417,930	17,920,364
Cash and cash equivalents - December 31	$ 7,608,202	$ 13,804,090	$ 21,412,292
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO STATEMENT OF NET POSITION			
Unrestricted cash and cash equivalents	$ 7,608,202	$ 13,804,090	$ 21,412,292
Total cash and cash equivalents	$ 7,608,202	13,804,090	21,412,292
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ 1,688,919	$ 2,310,877	$ 3,999,796
Adjustments to reconcile operating income (loss) from operations to net			
cash provided by operating activities			
Depreciation	-	2,728,637	2,728,637
(Increase) decrease in assets			
Accounts receivable	39,376	126,474	165,850
Prepaid items	(7,327)	(14,461)	(21,788)
Increase (decrease) in liabilities			
Accounts payable	59,074	(158,180)	(99,106)
Accrued leave	-	(10,772)	(10,772)
Unearned revenues	163,502	-	163,502
Total adjustments	254,625	2,671,698	2,926,323
Net cash provided by operating activities	$ 1,943,544	$ 4,982,575	$ 6,926,119
NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES			
Payable incurred for purchase of capital assets	$ -	$ (14,130)	$ (14,130)
Increase in fair value of investments	44,210	3,037	47,247
Noncash investing, capital, adn financing activities	$ 44,210	$ (11,093)	$ 33,117

TOWN OF CASTLE ROCK, COLORADO

EMPLOYEE BENEFITS FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Charges for services	$ 10,400,815	$ 10,400,815	$ 10,094,223	$ (306,592)
Investment earnings	183,849	183,849	276,535	92,686
Other	2,684,565	4,184,565	4,265,233	80,668
Total revenues	13,269,229	14,769,229	14,635,991	(133,238)
EXPENDITURES				
Operations	12,295,795	14,295,795	12,670,537	1,625,258
Total expenditures	12,295,795	14,295,795	12,670,537	1,625,258
Net change in funds available	973,434	473,434	1,965,454	1,492,020
Funds available - January 1	6,979,279	6,052,096	6,052,096	-
Funds available - December 31	$ 7,952,713	$ 6,525,530	$ 8,017,550	$ 1,492,020

TOWN OF CASTLE ROCK, COLORADO

FLEET FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED DECEMBER 31, 2025

	Budgets			Variance with Final Budget Positive (Negative)
	Original	Final	Budgetary Actual	
REVENUES				
Charges for services	$ 6,815,323	$ 6,815,323	$ 6,777,470	$ (37,853)
Investment earnings	75,579	75,579	482,157	406,578
Other	-	-	4,987	4,987
Total revenues	6,890,902	6,890,902	7,264,614	373,712
EXPENDITURES				
Operations	1,859,443	1,859,443	1,753,716	105,727
Capital outlay	11,423,510	14,131,883	6,619,332	7,512,551
Total expenditures	13,282,953	15,991,326	8,373,048	7,618,278
TRANSFERS				
Transfers in	691,604	2,737,296	2,141,243	(596,053)
Proceeds from sale of capital assets	1,329,288	1,329,288	287,533	(1,041,755)
Total transfers	2,020,892	4,066,584	2,428,776	(1,637,808)
Net change in funds available	(4,371,159)	(5,033,840)	1,320,342	6,354,182
Funds available - January 1	12,888,442	12,538,476	12,538,476	-
Funds available - December 31	$ 8,517,283	$ 7,504,636	$ 13,858,818	$ 6,354,182

RECONCILIATION OF NET CHANGE IN FUNDS AVAILABLE TO CHANGE IN NET POSITION (GAAP BASIS)	
Net change in fund balances	1,320,342
Depreciation expense	(2,728,637)
Capital outlay	6,619,332
Proceeds from sale of capital assets	(287,533)
Gain on disposal of capital assets	242,174
Accrued leave	10,773
Change in net position	$ 5,176,451

CUSTODIAL FUNDS

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

Add-On PIF Fund

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

Special District Fee Fund

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

Use Tax Fund

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

Authority Development Fee Fund

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



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TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION - CUSTODIAL FUNDS
DECEMBER 31, 2025

	Add-On PIF Fund	Special District Fee Fund	Use Tax Fund	Authority Development Fee Fund	Total Custodial Funds
ASSETS					
Cash and cash equivalents	$ 167,871	$ -	$ 390,207	$ -	$ 558,078
Accounts receivable	70,518	-	-	-	70,518
Total assets	$ 238,389	$ -	$ 390,207	$ -	$ 628,596
LIABILITIES					
Accounts payable	$ -	$ -	$ 1,000	$ -	$ 1,000
Due to organizations and other governments	238,389	-	389,207	-	627,596
Total liabilities	238,389	-	390,207	-	628,596
NET POSITION					
Net position restricted for organizations and other governments	-	-	-	-	-
Total net position	$ -	$ -	$ -	$ -	$ -

TOWN OF CASTLE ROCK, COLORADO

FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION - CUSTODIAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2025

	Add-On PIF Fund	Special District Fee Fund	Use Tax Fund	Authority Development Fee Fund	Total Custodial Funds
ADDITIONS					
Fee and permit collections for other governments	$ 731,735	$ 82,605	$ 1,287,744	$ 1,020	$ 2,103,104
Total additions	731,735	82,605	1,287,744	1,020	2,103,104
DEDUCTIONS					
Payments of fees and permits to organizations and other governments	731,735	82,399	1,242,171	1,020	2,057,325
Payments of refunds	-	-	39,573	-	39,573
Administrative expense	-	206	6,000	-	6,206
Total deductions	731,735	82,605	1,287,744	1,020	2,103,104
Net increase (decrease) in fiduciary net position	-	-	-	-	-
Net position - beginning	-	-	-	-	-
Net position - ending	$ -	$ -	$ -	$ -	$ -

STATISTICAL SECTION

Financial Trends

Revenue Capacity

Debt Capacity

Demographic and Economic Information

Operating Information

STATISTICAL SECTION

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

TABLE OF CONTENTS **Page**

Financial Trends 190
These schedules contain trend information to help the reader understand how the financial performance and well-being of the Town has changed over time.

Revenue Capacity 204
These schedules contain information to help the reader assess the Town's most significant local revenue source, sales tax.

Debt Capacity 223
These schedules present information to help the reader assess the affordability of the Town's current levels of outstanding debt and the Town's ability to issue additional debt in the future.

Demographic and Economic Information 232
These schedules provide demographic and economic indicators to help the reader understand the environment within which the Town operates.

Operating Information 240
These schedules contain service and infrastructure data to help the reader understand how the information in the Town's financial report relates to the services the Town provides and the activities it performs.

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



Financial Trends



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TOWN OF CASTLE ROCK, COLORADO

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

	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES				
Net investment in capital assets	$ 302,585,569	$ 313,943,660	$ 332,762,370	$ 361,694,721
Restricted	11,435,201	14,486,482	19,853,075	16,884,859
Unrestricted	38,993,869	41,495,945	47,989,843	49,179,639
Total governmental activities net position	353,014,639	369,926,087	400,605,288	427,759,219
BUSINESS-TYPE ACTIVITIES				
Net investment in capital assets	367,831,717	444,474,020	473,027,666	512,559,768
Unrestricted	178,911,069	138,557,064	150,221,369	134,822,353
Total business-type activities net position	546,742,786	583,031,084	623,249,035	647,382,121
PRIMARY GOVERNMENT				
Net investment in capital assets	670,417,286	758,417,680	805,790,036	874,254,489
Restricted	11,435,201	14,486,482	19,853,075	16,884,859
Unrestricted	217,904,938	180,053,009	198,211,212	184,001,992
Total primary government net position	$ 899,757,425	$ 952,957,171	$ 1,023,854,323	$ 1,075,141,340

TOWN OF CASTLE ROCK, COLORADO

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

2020	2021	2022	2023	2024	2025
$ 376,706,367	$ 395,257,608	$ 427,363,359	$ 478,623,823	$ 540,298,626	$ 595,847,595
29,327,323	69,256,816	84,646,223	63,903,540	63,066,233	116,614,825
64,958,841	70,971,365	86,398,745	101,015,408	112,367,842	69,411,775
470,992,531	535,485,789	598,408,327	643,542,771	715,732,701	781,874,195
567,915,608	610,487,873	654,546,145	686,049,545	713,708,485	759,197,518
130,333,154	167,942,002	185,112,636	183,477,665	191,152,816	179,677,146
698,248,762	778,429,875	839,658,781	869,527,210	904,861,301	938,874,664
944,621,975	1,005,745,481	1,081,909,504	1,164,673,368	1,254,007,111	1,355,045,113
29,327,323	69,256,816	84,646,223	63,903,540	63,066,233	116,614,825
195,291,995	238,913,367	271,511,381	284,493,073	303,520,658	249,088,921
$ 1,169,241,293	$ 1,313,915,664	$ 1,438,067,108	$ 1,513,069,981	$ 1,620,594,002	$ 1,720,748,859

TOWN OF CASTLE ROCK, COLORADO

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

	2016	2017	2018	2019
EXPENSES				
Governmental activities:				
General government	$ 14,023,404	$ 15,237,806	$ 16,128,883	$ 17,615,169
Public safety	23,951,068	26,837,846	28,499,674	31,616,925
Public works	25,769,578	27,654,814	29,833,280	37,096,813
Cultural and recreation	7,677,894	7,590,806	8,201,097	7,995,062
Interest on long- term debt	1,445,842	1,450,707	1,428,837	1,337,305
Bond issuance cost	-	-	-	-
Total governmental activities expenses	72,867,786	78,771,979	84,091,771	95,661,274
Business- type activities:				
Water	14,817,848	14,838,232	15,599,176	18,519,142
Water resources	5,925,682	6,291,869	8,695,784	9,849,461
Stormwater	4,117,364	4,004,389	4,256,104	4,480,720
Wastewater	8,054,679	11,365,376	22,442,714	25,748,740
Golf	2,777,471	2,879,397	2,874,399	3,020,217
Community center	6,600,250	6,691,990	7,087,816	8,084,639
Development services	5,315,651	5,831,788	5,758,964	6,233,635
Other non-major enterprises*	-	-	-	-
Total business- type activities expenses	47,608,945	51,903,041	66,714,957	75,936,554
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	3,830,017	4,213,469	4,414,744	4,256,832
Public safety	3,263,779	3,638,038	4,065,404	4,001,601
Public works	3,248,842	3,407,838	6,312,477	6,473,501
Cultural and recreation	3,219,809	3,356,506	4,114,858	3,460,974
Operating grants and contributions	4,465,204	4,614,103	5,356,759	6,973,214
Capital grants and contributions	18,645,995	12,562,716	19,443,668	24,506,240
Total governmental activities program revenues	36,673,646	31,792,670	43,707,910	49,672,362
Business- type activities:				
Charges for services:				
Water	14,393,516	17,210,558	16,186,541	18,236,901
Water resources	8,206,834	10,537,762	11,459,270	16,465,907
Stormwater	2,609,893	3,478,385	4,222,729	4,049,342
Wastewater	9,691,906	10,300,046	11,236,722	11,214,673
Golf	2,971,846	3,057,548	3,132,347	3,189,851
Community center	3,852,074	3,804,710	3,908,721	4,430,672
Development services	6,292,090	5,720,631	6,492,172	6,304,317
Other non-major enterprises*	-	-	-	-
Operating grants and contributions	-	-	-	-
Capital grants and contributions	34,394,316	29,859,373	46,318,722	30,603,260
Total business- type activities program revenues	82,412,475	83,969,013	102,957,224	94,494,923
Total primary government program revenues	$ 119,086,121	$ 115,761,683	$ 146,665,134	$ 144,167,285

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

TOWN OF CASTLE ROCK, COLORADO

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

2020	2021	2022	2023	2024	2025
$ 19,217,793	$ 17,709,336	$ 19,403,131	$ 22,411,748	$ 23,416,143	$ 23,365,953
30,340,170	33,985,779	35,469,608	42,587,689	46,085,925	54,516,315
32,326,601	35,162,525	41,974,362	45,197,974	40,871,253	46,726,284
8,360,633	9,020,980	9,158,249	11,598,659	12,890,855	12,812,962
1,237,504	1,133,978	1,079,962	1,103,473	1,054,295	2,313,433
-	-	-	-	-	556,053
91,482,701	97,012,598	107,085,312	122,899,543	124,318,471	140,291,000
18,921,743	19,025,891	20,849,577	22,913,945	24,884,604	24,693,080
10,777,309	12,868,540	15,840,089	15,320,707	21,882,114	19,168,543
4,922,935	5,333,462	6,128,517	7,142,809	7,920,555	7,667,289
10,161,425	6,227,938	11,474,612	12,463,226	13,172,146	14,550,622
3,104,291	-	-	-	-	-
6,214,007	-	-	-	-	-
6,779,057	-	-	-	-	-
-	18,072,040	20,276,020	21,771,955	22,147,282	22,995,360
60,880,767	61,527,871	74,568,815	79,612,642	90,006,701	89,074,894
5,152,731	5,305,672	4,914,803	4,864,109	5,206,929	5,410,271
4,568,332	5,978,196	4,563,587	5,055,540	5,499,623	5,909,871
12,479,568	13,385,762	9,047,055	7,104,243	7,421,620	4,914,981
7,399,434	10,567,882	6,692,637	5,991,557	5,289,064	3,979,316
12,496,755	13,743,420	18,059,039	11,779,593	12,252,302	13,321,323
17,892,285	24,557,232	30,341,390	31,521,142	53,872,801	49,479,315
59,989,105	73,538,164	73,618,511	66,316,184	89,542,339	83,015,077
19,557,916	18,312,568	19,663,445	16,848,555	21,211,304	20,625,216
13,410,716	13,731,510	13,987,054	13,266,220	14,509,591	15,661,383
3,785,567	4,283,861	4,145,025	4,440,836	4,333,226	4,585,850
11,271,632	11,955,017	11,631,955	11,957,711	12,214,811	12,496,969
3,629,195	-	-	-	-	-
1,962,493	-	-	-	-	-
7,567,736	-	-	-	-	-
-	15,675,271	15,707,019	16,484,358	17,035,295	20,086,748
-	10,092,190	-	-	50,000	-
44,344,837	63,403,645	66,455,355	36,286,812	44,092,475	34,214,014
105,530,092	137,454,062	131,589,853	99,284,492	113,446,702	107,670,180
$ 165,519,197	$ 210,992,226	$ 205,208,364	$ 165,600,676	$ 202,989,041	$ 190,685,257

TOWN OF CASTLE ROCK, COLORADO

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

	2016	2017	2018	2019
NET (EXPENSE) REVENUE				
Governmental activities	$ (36,194,140)	$ (46,979,309)	$ (40,383,861)	$ (45,988,912)
Business- type activities	34,803,530	32,065,972	36,242,267	18,558,369
Total primary government net expense	$ (1,390,610)	$ (14,913,337)	$ (4,141,594)	$ (27,430,543)
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities				
Taxes				
Property taxes	$ 1,094,337	$ 1,174,213	$ 1,330,579	$ 1,483,121
Sales taxes	41,632,958	45,412,814	48,608,882	50,729,264
Use taxes	7,671,139	7,358,941	8,861,469	8,080,760
Lodging taxes	-	-	-	-
Motor vehicle	6,125,671	6,334,416	6,808,761	7,560,750
Other taxes	2,683,156	2,804,922	2,919,175	3,111,497
Interest and investment earnings	322,843	491,214	1,000,045	1,589,888
Other revenues	303,285	233,717	229,881	135,487
Transfers	(56)	80,520	1,304,270	452,076
Total governmental activities	59,833,333	63,890,757	71,063,062	73,142,843
Business- type activities				
Taxes	2,791,379	3,027,602	3,277,885	3,406,474
Interest and investment earnings	716,226	1,275,244	2,002,069	2,620,319
Transfers	55,523	(80,520)	(1,304,270)	(452,076)
Total business- type activities	3,563,128	4,222,326	3,975,684	5,574,717
Total primary government	$ 63,396,461	$ 68,113,083	$ 75,038,746	$ 78,717,560
CHANGE IN NET POSITION				
Governmental activities	$ 23,583,726	$ 16,911,448	$ 30,679,201	$ 27,153,931
Business- type activities	38,366,658	36,288,298	40,217,951	24,133,086
Total primary government	$ 61,950,384	$ 53,199,746	$ 70,897,152	$ 51,287,017

TOWN OF CASTLE ROCK, COLORADO

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

2020	2021	2022	2023	2024	2025
$ (31,493,596)	$ (23,474,434)	$ (33,466,801)	$ (56,583,359)	$ (34,776,132)	$ (57,275,923)
44,649,325	75,926,191	57,021,038	19,671,850	23,440,001	18,595,286
$ 13,155,729	$ 52,451,757	$ 23,554,237	$ (36,911,509)	$ (11,336,131)	$ (38,680,637)
$ 1,744,657	$ 2,241,457	$ 2,250,020	$ 2,492,441	$ 3,860,167	$ 3,947,637
52,468,081	60,835,980	68,414,260	70,726,036	74,619,717	86,241,137
10,103,705	10,526,679	10,388,501	6,415,952	6,700,842	7,495,803
-	-	691,959	702,780	665,223	661,825
6,296,757	10,377,638	9,669,402	10,064,002	9,804,743	10,035,158
2,887,574	3,271,042	3,745,319	3,823,627	4,220,728	6,954,559
1,215,566	(31,821)	130,589	5,393,456	5,944,080	7,477,096
198,225	711,458	829,555	1,135,148	1,005,529	314,430
(187,657)	35,259	269,734	964,361	145,033	289,772
74,726,908	87,967,692	96,389,339	101,717,803	106,966,062	123,417,417
3,675,008	4,450,988	4,738,781	4,705,555	5,329,124	8,678,478
2,354,651	(160,807)	(261,179)	6,455,385	6,709,999	7,029,371
187,657	(35,259)	-	(964,361)	(145,033)	(289,772)
6,217,316	4,254,922	4,477,602	10,196,579	11,894,090	15,418,077
$ 80,944,224	$ 92,222,614	$ 100,866,941	$ 111,914,382	$ 118,860,152	$ 138,835,494
$ 43,233,312	$ 64,493,258	$ 96,389,339	$ 45,134,444	$ 72,189,930	$ 66,141,494
50,866,641	80,181,113	4,207,868	29,868,429	35,334,091	34,013,363
$ 94,099,953	$ 144,674,371	$ 100,597,207	$ 75,002,873	$ 107,524,021	$ 100,154,857

TOWN OF CASTLE ROCK, COLORADO

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

	2016	2017	2018	2019
REVENUE SOURCE				
PROGRAM REVENUES				
Charges for services	$ 61,580,606	$ 68,725,491	$ 75,545,985	$ 82,084,571
Operating grants and contributions	4,465,204	4,614,103	5,356,759	6,973,214
Capital grants and contributions	53,040,311	42,422,089	65,762,390	55,109,500
Total program revenues	119,086,121	115,761,683	146,665,134	144,167,285
GENERAL REVENUES				
Property taxes	1,094,337	1,174,213	1,330,579	1,483,121
Sales taxes	43,742,356	47,732,084	51,064,615	53,320,475
Use tax-building and motor vehicle	14,478,791	14,401,689	16,492,382	16,456,773
Other taxes	2,683,156	2,804,922	2,919,175	3,111,497
Investment earnings	1,039,069	1,766,458	3,002,114	4,210,207
Lease interest	-	-	-	-
Other	303,285	233,717	229,881	135,487
Total general revenues	63,340,994	68,113,083	75,038,746	78,717,560
Total revenues	$ 182,427,115	$ 183,874,766	$ 221,703,880	$ 222,884,845

TOWN OF CASTLE ROCK, COLORADO

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

2020	2021	2022	2023	2024	2025
$ 90,785,320	$ 99,195,739	$ 90,352,580	$ 86,013,129	$ 92,721,463	$ 93,670,605
12,496,755	23,835,610	18,059,039	11,779,593	12,302,302	13,321,323
62,237,122	87,960,877	96,796,745	67,807,954	97,965,276	83,693,329
165,519,197	210,992,226	205,208,364	165,600,676	202,989,041	190,685,257
1,744,657	2,241,457	2,250,020	2,492,441	3,860,167	3,947,637
55,296,880	64,093,052	72,110,480	74,502,890	78,585,605	90,710,637
17,246,671	22,098,233	21,792,423	18,111,435	17,408,259	18,431,009
2,887,574	3,271,042	3,745,319	3,823,627	4,885,951	7,616,384
3,570,217	(192,628)	(190,293)	11,848,841	12,654,079	14,506,467
-	-	59,703	-	-	-
198,225	711,458	829,555	1,135,148	1,466,091	3,623,360
80,944,224	92,222,614	100,597,207	111,914,382	118,860,152	138,835,494
$ 246,463,421	$ 303,214,840	$ 305,805,571	$ 277,515,058	$ 321,849,193	$ 329,520,751

TOWN OF CASTLE ROCK, COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 4 (UNAUDITED)

	2016	2017	2018	2019
GENERAL FUND				
Nonspendable	$ 2,724,800	$ 6,273,689	$ 5,433,140	$ 4,591,792
Restricted	1,670,055	1,754,607	1,898,642	2,052,460
Committed	4,632,978	5,561,036	6,390,596	5,164,845
Assigned	220,782	1,501,424	6,057,187	2,145,008
Unassigned	16,148,395	14,319,577	12,517,874	15,592,815
Total general fund	$ 25,397,010	$ 29,410,333	$ 32,297,439	$ 29,546,920
ALL OTHER GOVERNMENTAL FUNDS				
Nonspendable	$ 57,940	$ 63,269	$ 65,643	$ 72,486
Restricted	7,729,860	10,843,652	16,322,110	14,832,399
Committed	14,037,404	13,306,523	16,030,561	12,430,285
Assigned	-	-	-	-
Unassigned	(1,050,283)	(1,318,438)	(3,042,089)	(2,641,730)
Total all other governmental funds	$ 20,774,921	$ 22,895,006	$ 29,376,225	$ 24,693,440

TOWN OF CASTLE ROCK, COLORADO

FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
ACCRUAL BASIS OF ACCOUNTING
TABLE 4 (UNAUDITED)

2020	2021	2022	2023	2024	2025
$ 3,451,699	$ 2,562,431	$ 2,599,422	$ 10,511,541	$ 10,543,134	$ 11,324,236
11,881,852	14,132,450	14,339,771	8,835,814	10,462,862	3,891,785
7,475,925	6,990,816	8,866,834	9,555,173	10,321,306	15,947,446
3,077,600	2,797,363	11,242,850	3,817,997	2,661,615	8,311,771
21,102,116	20,592,991	19,494,257	24,740,992	28,270,562	38,084,209
$ 46,989,192	$ 47,076,051	$ 56,543,134	$ 57,461,517	$ 62,259,479	$ 77,559,447
$ 77,008	$ 75,306	$ 3,922,453	$ 88,988	$ 100,217	$ 139,878
26,632,223	52,714,891	59,696,328	53,059,017	52,603,371	106,957,353
21,125,135	28,699,195	29,141,748	26,071,906	24,981,214	33,428,512
-	-	-	1,803,335	1,778,075	9,331,355
(930,030)	(295,665)	(258,581)	(744,187)	(859,629)	(913,516)
$ 46,904,336	$ 81,193,727	$ 92,501,948	$ 80,279,059	$ 78,603,248	$ 148,943,582

TOWN OF CASTLE ROCK, COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
TABLE 5 (UNAUDITED)

	2016	2017	2018	2019
REVENUES				
Taxes				
Property	$ 1,094,337	$ 1,174,213	$ 1,330,579	$ 1,483,121
Sales	41,632,958	45,412,814	48,608,882	50,729,264
Use	7,671,139	7,358,941	8,861,469	8,080,760
Motor vehicle	6,125,671	6,334,416	6,808,761	7,560,750
Other	2,683,156	2,804,922	2,919,175	3,111,497
Development impact fees	7,607,698	7,989,231	11,921,883	11,153,802
Licenses and permits	232,540	242,533	236,904	272,487
Charges for services	2,244,591	2,326,651	2,633,658	2,564,419
Management fees	2,886,561	3,274,465	3,434,368	3,421,034
Fines and forfeitures	440,519	399,681	412,374	402,875
Intergovernmental	5,692,037	4,327,153	6,084,390	8,250,439
Investment earnings	296,617	447,166	918,709	1,477,480
Lease interest	-	-	-	-
Contributions and donations	581,070	792,259	658,018	1,388,440
Leases	-	-	-	-
Other	457,493	584,629	418,087	423,667
Total revenues	79,646,387	83,469,074	95,247,257	100,320,035
EXPENDITURES				
Current				
General government	12,308,420	13,937,216	14,895,787	16,413,940
Public safety	23,545,337	25,971,232	29,010,161	30,490,734
Public works	15,706,515	16,239,204	17,695,519	24,577,746
Culture and recreation	4,858,749	4,712,621	5,341,350	5,464,112
Capital Outlay	19,132,373	12,269,269	16,282,437	25,849,836
Debt service				
Principal	1,802,801	1,277,801	1,075,000	3,720,000
Interest	1,583,329	1,649,039	1,613,005	1,527,647
Debt issue costs	159,890	-	-	-
Agency fees	2,625	2,850	2,704	2,600
Bond issuance cost	-	-	-	-
Supplies	-	-	-	-
Other services	-	-	-	-
Total expenditures	79,100,039	76,059,232	85,915,963	108,046,615
Excess of revenues over (under) expenditures	546,348	7,409,842	9,331,294	(7,726,580)
OTHER FINANCING SOURCES (USES)				
Inception of capital lease	-	-	-	-
Certificates of Participation	-	-	-	-
Bond issuance	7,405,000	-	-	-
Notes Payable	2,500,000	-	-	-
Premium (discount) on bonds	1,389,503	-	-	-
Loan interest	-	-	-	-
Debt proceeds	-	-	-	-
Transfers in	8,130,962	4,240,560	5,120,410	5,264,477
Payment to escrow agent	(8,659,717)	-	-	-
Transfers out	(8,425,965)	(5,516,944)	(5,083,379)	(4,971,201)
Total other financing sources (uses)	2,339,783	(1,276,384)	37,031	293,276
Net change in fund balances	$ 2,886,131	$ 6,133,458	$ 9,368,325	$ (7,433,304)
Debt service as a percentage of noncapital expenditures	5.65%	4.59%	3.86%	6.38%

TOWN OF CASTLE ROCK, COLORADO

CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING
TABLE 5 (UNAUDITED)

2020	2021	2022	2023	2024	2025
$ 1,744,657	$ 2,241,457	$ 2,250,020	$ 2,492,441	$ 3,860,167	$ 3,947,637
52,072,342	61,231,719	68,414,260	70,726,036	74,619,717	86,241,137
10,103,705	10,526,679	11,080,460	7,118,732	6,700,842	7,495,803
6,296,757	10,377,638	9,669,402	10,064,002	9,804,743	10,035,158
2,887,574	3,271,042	3,745,319	3,823,627	4,036,331	4,457,643
21,895,968	26,242,454	16,573,642	13,317,527	13,300,175	8,862,839
264,692	265,652	373,009	296,988	328,017	507,574
2,268,335	3,607,655	3,235,007	4,528,369	4,810,264	5,155,130
4,308,917	4,304,660	4,205,990	4,202,130	4,548,730	4,684,903
270,019	289,720	230,738	239,175	279,854	309,090
12,313,151	15,641,097	19,333,997	16,398,407	32,733,104	36,581,915
1,129,238	(30,161)	82,795	4,896,279	5,097,962	6,869,833
-	-	30,498	32,207	31,727	66,466
556,530	2,406,422	3,879,273	1,662,642	23,757,588	27,349,608
-	-	285,059	180,456	35,549	137,511
717,982	736,255	675,884	853,002	1,120,176	885,422
116,829,867	141,112,289	144,065,353	140,832,020	185,064,946	203,587,669
18,150,269	16,671,598	18,049,052	21,150,204	21,951,896	21,338,262
29,460,283	34,096,630	38,639,903	43,645,485	47,026,145	52,436,331
17,596,280	21,458,326	27,523,446	30,435,683	25,981,730	30,316,438
5,007,153	6,043,312	6,365,062	8,698,954	9,327,159	8,364,466
13,370,735	25,390,399	28,395,917	45,070,019	74,612,048	68,761,522
1,530,000	1,580,000	1,630,000	1,690,000	1,180,000	6,715,000
1,316,606	1,398,937	1,242,162	1,184,438	11,336,437	2,161,413
388,511	-	-	-	-	-
2,600	5,000	5,000	4,700	4,400	-
-	-	-	-	-	556,053
-	-	-	-	-	715,167
-	-	-	-	-	301,717
86,822,437	106,644,202	121,850,542	151,879,483	191,419,815	191,666,369
30,007,430	34,468,087	22,214,811	(11,047,463)	(6,354,869)	11,921,300
-	-	-	-	-	-
1,467,716	-	-	-	-	-
27,035,000	-	-	-	-	-
-	-	-	-	-	-
(16,747)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	75,570,473
3,384,501	2,377,505	25,940,547	2,639,979	8,220,871	7,086,437
(18,452,327)	-	-	-	-	-
(3,772,405)	(2,469,342)	(27,380,054)	(2,897,022)	(8,943,851)	(8,937,908)
9,645,738	(91,837)	(1,439,507)	(257,043)	(722,980)	73,719,002
$ 39,653,168	$ 34,376,250	$ 20,775,304	$ (11,304,506)	$ (7,077,849)	$ 85,640,302
3.88%	3.67%	3.07%	2.69%	10.72%	7.22%



Revenue Capacity

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
TAX REVENUE BY SOURCE
LAST TEN YEARS
TABLE 6 (UNAUDITED)

Year	Property Taxes (1)	Sales and Use Taxes	Motor Vehicle	Other Taxes	Total
2016	$ 1,094,337	$ 49,304,097	$ 6,125,671	$ 2,683,156	$ 59,207,261
2017	1,174,213	52,771,755	6,334,416	2,804,922	63,085,306
2018	1,330,579	57,470,351	6,808,761	2,919,175	68,528,866
2019	1,483,121	58,810,024	7,560,750	3,111,497	70,965,392
2020	1,744,657	62,176,047	6,296,757	2,887,574	73,105,035
2021	2,241,457	71,758,398	10,377,638	3,271,042	87,648,535
2022	2,250,020	79,494,720	9,669,402	3,745,319	95,159,461
2023	2,492,441	77,844,768	10,064,002	3,823,627	94,224,838
2024	3,860,167	81,320,559	9,804,743	4,036,331	99,021,800
2025	3,947,637	93,736,940	10,035,158	4,457,643	112,177,378

(1) Amounts include Property Tax Increment Financing (TIF)

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE EXPENSES BY ACTIVITY AND FUNCTION
LAST TEN YEARS
TABLE 7 (UNAUDITED)

	2016	2017	2018	2019
GOVERNMENTAL ACTIVITIES				
General government	$ 14,023,404	$ 15,237,806	$ 16,128,883	$ 17,615,169
Public safety	23,951,068	26,837,846	28,499,674	31,616,925
Public works	25,769,578	27,654,814	29,833,280	37,096,813
Cultural and recreation	7,677,894	7,590,806	8,201,097	7,995,062
Interest on long- term debt	1,445,842	1,450,707	1,428,837	1,337,305
Bond Issuance Cost	-	-	-	-
Total governmental activities	$ 72,867,786	$ 78,771,979	$ 84,091,771	$ 95,661,274
BUSINESS- TYPE ACTIVITIES				
Water	14,817,848	14,838,232	15,599,176	18,519,142
Water resources	5,925,682	6,291,869	8,695,784	9,849,461
Stormwater	4,117,364	4,004,389	4,256,104	4,480,720
Wastewater	8,054,679	11,365,376	22,442,714	25,748,740
Golf course	2,777,471	2,879,397	2,874,399	3,020,217
Community center	6,600,250	6,691,990	7,087,816	8,084,639
Development services	5,315,651	5,831,788	5,758,964	6,233,635
Other non-major enterprises*	-	-	-	-
Total business- type activities	47,608,945	51,903,041	66,714,957	75,936,554
Total all activities	$ 120,476,731	$ 130,675,020	$ 150,806,728	$ 171,597,828

TOWN OF CASTLE ROCK, COLORADO

TOWN-WIDE EXPENSES BY ACTIVITY AND FUNCTION
LAST TEN YEARS
TABLE 7 (UNAUDITED)

2020	2021	2022	2023	2024	2025
$ 19,217,793	$ 17,709,336	$ 19,403,131	$ 22,411,748	$ 23,416,143	$ 23,365,953
30,340,170	33,985,779	35,469,608	42,587,689	46,085,925	54,516,315
32,326,601	35,162,525	41,974,362	45,197,974	40,871,253	46,726,284
8,360,633	9,020,980	9,158,249	11,598,659	12,890,855	12,812,962
1,237,504	1,133,978	1,079,962	1,103,473	1,054,295	2,313,433
-	-	-	-	-	556,053
$ 91,482,701	$ 97,012,598	$ 107,085,312	$ 122,899,543	$ 124,318,471	$ 140,291,000
18,921,743	19,025,891	20,849,577	22,913,945	24,884,604	24,693,080
10,777,309	12,868,540	15,840,089	15,320,707	21,882,114	19,168,543
4,922,935	5,333,462	6,128,517	7,142,809	7,920,555	7,667,289
10,161,425	6,227,938	11,474,612	12,463,226	13,172,146	14,550,622
3,104,291	-	-	-	-	-
6,214,007	-	-	-	-	-
6,779,057	-	-	-	-	-
-	18,072,040	20,276,020	21,771,955	22,147,282	22,995,360
60,880,767	61,527,871	74,568,815	79,612,642	90,006,701	89,074,894
$ 152,363,468	$ 158,540,469	$ 181,654,127	$ 202,512,185	$ 214,325,172	$ 229,365,894

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN YEARS
TABLE 8 (UNAUDITED)

Year	General Government	Public Safety	Public Works	Culture and Recreation
2016	$ 12,308,420	$ 23,545,337	$ 15,706,515	$ 4,858,749
2017	13,937,216	25,971,232	16,239,204	4,712,621
2018	14,895,787	29,010,161	17,695,519	5,341,350
2019	16,413,940	30,490,734	24,577,746	5,464,112
2020	18,150,269	29,460,283	17,596,280	5,007,153
2021	16,671,598	34,096,630	21,458,326	6,043,312
2022	18,049,052	38,639,903	27,523,446	6,365,062
2023	21,150,204	43,645,485	30,435,683	8,698,954
2024	21,951,896	47,026,145	25,981,730	9,327,159
2025	21,338,262	52,436,331	30,316,438	8,364,466

TOWN OF CASTLE ROCK, COLORADO

GOVERNMENTAL FUNDS
GOVERNMENTAL EXPENDITURES BY FUNCTION
LAST TEN YEARS
TABLE 8 (UNAUDITED)

Capital Outlay	Debt Service	Total
$ 19,132,373	$ 3,548,645	$ 79,100,039
12,269,269	2,929,690	76,059,232
16,282,437	2,690,709	85,915,963
25,849,836	5,250,247	108,046,615
13,370,735	3,237,717	86,822,437
25,390,399	2,983,937	106,644,202
28,395,917	2,877,162	121,850,542
45,070,019	2,879,138	151,879,483
74,612,048	2,320,837	181,219,815
68,761,522	10,449,350	191,666,369

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
TABLE 9 (UNAUDITED)

Fiscal Year Ended December 31,	Collection Year	Taxes Levied For The Fiscal Year (2)	Collection (1) Within The Fiscal Year Of The Levy	
			Amount	Percentage of Levy
2015	2016	$ 1,116,841	$ 1,095,063	98.05%
2016	2017	1,165,838	1,174,213	100.72%
2017	2018	1,282,528	1,330,579	103.75%
2018	2019	1,353,067	1,483,121	109.61%
2019	2020	1,405,352	1,744,657	124.14%
2020	2021	1,483,041	1,387,051	93.53%
2021	2022	1,492,318	1,465,448	98.20%
2022	2023	1,547,289	1,485,758	96.02%
2023	2024	1,582,280	1,755,403	110.94%
2024	2025	1,586,580	1,713,348	107.99%

(1) The amount collected in prior years included the Property Tax Increment Financing (TIF) which represents property taxes collected above the mill levy. The amounts related to TIF have been removed in the current year presentation.

(2) Source: Douglas County Assessor's Office

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS
TABLE 9 (UNAUDITED)

Collections/ Abatements for Previous Years	Total Collections to Date	
	Amount	Percentage Of Levy
$ (726)	$ 1,094,337	97.99%
(735)	1,173,478	100.66%
(1,943)	1,328,636	103.60%
(3,065)	1,480,056	109.39%
(2,051)	1,742,606	124.00%
(3,986)	1,383,065	93.26%
(177)	1,465,271	98.19%
(929)	1,484,829	95.96%
(1,771)	1,644,123	103.91%
(52,006)	1,661,342	104.71%

TOWN OF CASTLE ROCK, COLORADO

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
TABLE 10 (UNAUDITED)

Levy Year	Residential Property	Vacant Land	Commercial Property	Industrial Property	State Assessed
2016	$ 509,222,200	$ 49,095,430	$ 381,534,780	$ 14,863,020	$ 1,882,500
2017	573,096,130	68,923,730	429,115,590	17,470,040	2,001,100
2018	603,391,330	62,684,170	442,210,700	18,469,810	2,316,000
2019	722,174,210	71,047,980	500,811,820	21,247,350	1,735,800
2020	758,756,980	72,967,870	512,407,380	27,822,780	1,768,700
2021	840,330,910	87,300,210	552,411,530	32,853,640	2,884,800
2022	857,215,760	74,621,290	563,019,270	34,236,580	2,643,100
2023	1,173,808,840	76,026,670	644,529,230	46,133,460	1,559,600
2024	1,208,586,050	64,698,760	662,494,800	49,770,030	1,441,100
2025	1,194,645,690	75,599,650	672,164,230	55,806,570	1,319,000

Source: Douglas County Assessor's Office

TOWN OF CASTLE ROCK, COLORADO

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
TABLE 10 (UNAUDITED)

Personal Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value As a Percentage of Actual Value
$ 44,165,470	$ 209,215,200	$ 791,548,200	1.470	$ 7,220,343,810	10.96%
46,598,790	210,541,040	926,664,340	1.330	9,019,519,393	10.27%
51,076,660	212,733,520	967,415,150	1.330	9,461,004,673	10.23%
55,885,140	234,543,980	1,138,358,320	1.196	11,343,649,284	10.04%
54,879,470	240,247,210	1,188,355,970	1.196	11,905,218,264	9.98%
54,965,020	250,302,440	1,320,443,670	1.139	13,219,987,961	9.99%
55,448,220	253,712,930	1,333,471,290	1.139	13,805,790,359	9.66%
68,350,720	301,155,450	1,709,253,070	0.092	19,195,262,951	8.90%
71,124,050	309,058,640	1,749,056,150	0.092	19,722,297,883	8.87%
74,145,840	315,225,220	1,758,455,760	0.092	20,930,369,595	8.40%

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX RATES (MILLS)
DIRECT AND OVERLAPPING GOVERNMENTS (1)
LAST TEN YEARS
TABLE 11 (UNAUDITED)

Levy Year	Collection Year	Direct Rate: Town[3]	Douglas County School District RE-1	Douglas County[4]	Cedar Hill Cemetery	Cherry Creek Basin Authority	Douglas County Library District	Bella Mesa	Castle Oaks	Castlewood Ranch
2016	2017	1.474	41.064	23.774	0.162	0.437	4.016	20.000	50.000	40.000
2017	2018	1.330	38.996	24.274	0.148	0.453	4.021	20.000	55.277	40.000
2018	2019	1.330	44.950	24.274	0.148	0.479	4.008	20.000	50.422-55.277	40.000
2019	2020	1.196	43.839	23.774	0.128	0.451	4.023	20.000	49.000-55.664	40.000
2020	2021	1.196	43.504	23.774	0.128	0.478	4.012	75.664	49.000-52.953	40.000
2021	2022	1.139	43.797	23.024	0.124	0.479	4.021	75.664	49.000-52.953	40.000
2022	2023	1.139	42.836	23.024	0.125	0.500	4.008	77.185	49.000-52.000	40.000
2023	2024	0.092	45.934	24.274	0.104	0.425	3.513	77.668	36.000-39.000	29.805
2024	2025	0.092	45.528	23.226	0.104	0.430	4.00	78.323	36.000-39.000	29.805
2025	2026	0.092	45.528	24.274	0.104	0.450	3.519	77.131	36.000-39.000	29.805

(1) Because no single parcel of property located within the Town's boundaries is located within every entity shown, the table is not indicative of the actual or potential burden upon any single property.

(2) The metropolitan districts fall within the Town's limits and property taxes are collected to fund debt repayment. The mill levy assessed represents ranges based on the individual district's mill levy.

(3) The only component in the Direct Rate is the General Operating Expenses.

(4) Includes law enforcement authority levy.

(5) Dawson Ridge Metro District was issued refunds and abatements in 2015.

Source: Douglas County Assessor's Office

TOWN OF CASTLE ROCK, COLORADO

PROPERTY TAX RATES (MILLS)
DIRECT AND OVERLAPPING GOVERNMENTS (1)
LAST TEN YEARS
TABLE 11 (UNAUDITED)

Overlapping Rates									
Metro Districts (2)									
Crowfoot Valley Ranch	Crystal Crossing	Crystal Valley I & II	Dawson Ridge 1-5	Founders Village	Lanterns	Maher Ranch	Meadows 1-7	Plum Creek	Villages At Castle Rock 1-9
76.750	67.230	55.940	45.000	79.146	45.000	40.500	35.000	0.000	0-70.000
84.850	74.091	60.274-60.284	45.000	87.314	45.000	35.500	35.000	0.000	0-76.332
84.850	74.122	60.284	45.000	87.253	74.600	35.500	35.000	0.000	4.373-87.253
85.442	74.625	5.000-54.854	45.000	87.842	75.121	33.500	35.000	0.000	4.402-87.842
85.442	74.625	3.500-51.500	45.000-51.820	88.083	75.121	33.500	35.000	0.000	4.432-88.083
85.442	74.625	2.000-45.000	45.000	88.683	75.121	32.500	35.000	0.000	4.462-88.683
70.010-75.103	74.625	8.000-42.604	74.044	91.198	75.843	32.500	35.000	0.000	4.556-91.198
72.767-81.236	57.254	5.500-55.707	74.044	94.563	83.556	27.872	35.000	0.000	4.721-94.563
72.769-80.465	57.254	13.05-39.219	74.044	94.563	84.506	23.900	35.000	0.000	4.721-94.563
75.186-83.342	52.966	22.525-34.204	74.044-76.293	94.563	57.603	23.900	35.000	0.000	5.188-75.286

TOWN OF CASTLE ROCK, COLORADO

TAXABLE SALES BY CATEGORY
LAST TEN YEARS
TABLE 12 (UNAUDITED)

	2016	2017	2018	2019
Food & General Merchandise	$ 10,896,117	$ 12,944,153	$ 14,231,685	$ 13,530,600
Apparel & Accessories	7,376,674	8,147,394	8,144,044	7,659,585
Hotels, Restaurants & Bars	5,335,604	5,580,192	6,006,785	6,453,452
Misc Retail	3,765,358	4,168,474	5,164,182	6,228,567
Utilities	2,036,135	2,108,077	2,254,822	2,307,618
Audit & Collections Revenue	448,084	356,768	510,401	1,324,025
Communications	1,483,165	1,341,322	1,423,855	1,404,425
Home & Garden	3,178,848	3,307,815	3,445,425	3,703,262
Autos & Auto Items	2,217,388	2,151,300	2,238,964	2,225,167
Furniture & Home Décor	1,340,636	1,333,269	1,331,718	1,537,699
Leasing & Rentals	810,962	937,871	1,073,077	1,238,673
Services	1,036,407	1,012,432	985,284	939,705
Agriculture & Construction	947,715	876,884	859,042	1,557,688
Wholesale & Manufacturing	880,508	902,483	765,363	663,780
Total	$ 41,753,601	$ 45,168,434	$ 48,434,647	$ 50,774,246
Town of Castle Rock Sales Tax Rate	4.0%	4.0%	4.0%	4.0%

Note: Information reflects Town collected sales tax and does not include Douglas County shareback.

Source: Town of Castle Rock Sales Tax Department

TOWN OF CASTLE ROCK, COLORADO

TAXABLE SALES BY CATEGORY
LAST TEN YEARS
TABLE 12 (UNAUDITED)

2020	2021	2022	2023	2024	2025
$ 16,126,637	$ 18,092,088	$ 19,331,747	$ 20,801,337	$ 21,230,379	$ 22,522,683
5,824,649	8,241,804	8,633,955	8,540,888	8,361,869	9,664,425
6,048,091	7,917,186	8,880,022	9,782,718	10,114,137	11,083,971
8,482,200	10,747,164	13,011,463	13,192,870	17,723,770	24,664,428
2,186,038	2,574,033	3,166,042	3,295,487	3,268,067	3,453,731
1,759,921	792,506	1,090,875	1,547,395	2,024,420	2,499,961
1,262,109	1,281,106	1,433,623	1,659,319	1,587,077	1,819,012
4,527,502	5,001,741	5,090,962	4,847,790	4,563,561	4,761,329
2,377,799	2,898,488	3,499,381	3,563,327	3,688,077	3,961,806
1,730,813	2,211,187	2,379,839	1,955,729	1,870,346	1,878,289
1,231,803	1,242,254	1,317,441	1,375,284	1,353,637	1,445,017
963,484	1,180,490	1,347,824	1,483,568	1,429,837	1,564,210
1,803,726	1,747,926	1,946,125	1,665,048	1,597,712	1,686,163
576,370	781,645	979,958	792,129	804,655	801,390
$ 54,901,142	$ 64,709,618	$ 72,109,257	$ 74,502,889	$ 79,617,544	$ 91,806,415
4.0%	4.0%	4.0%	4.0%	4.0%	4.0%

TOWN OF CASTLE ROCK, COLORADO

DIRECT AND OVERLAPPING SALES TAX RATES
LAST TEN YEARS
TABLE 13 (UNAUDITED)

Fiscal Year	Town Direct Rate	Douglas County	State of Colorado
2016	4.0%	1.0%	2.9%
2017	4.0%	1.0%	2.9%
2018	4.0%	1.0%	2.9%
2019	4.0%	1.0%	2.9%
2020	4.0%	1.0%	2.9%
2021	4.0%	1.0%	2.9%
2022	4.0%	1.0%	2.9%
2023	4.0%	1.0%	2.9%
2024	4.0%	1.0%	2.9%
2025	4.2%	1.0%	2.9%

Source: Colorado Department of Revenue



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TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL SALES TAX REMITTERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 14 (UNAUDITED)

	2025			
Remitter	**Number of Filers**	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
Food & General Merchandise	88	1.44%	$ 22,522,683	24.52%
Misc Retail	4,208	69.04%	24,664,428	26.87%
Apparel & Accessories	150	2.46%	9,664,425	10.53%
Hotels, Restaurants & Bars	287	4.71%	11,083,971	12.07%
Home & Garden	57	0.94%	4,761,329	5.19%
Autos & Auto Items	111	1.82%	3,961,806	4.32%
Utilities	5	0.08%	3,453,731	3.76%
Furniture & Home Décor	112	1.84%	1,878,289	2.05%
Agricultural and Construction	186	3.05%	1,686,163	1.84%
Communications	94	1.54%	1,819,012	1.98%
Services	n/a			
Total top ten categories	5,298	86.92%	$ 85,495,837	93.13%
All other categories	797	13.08%	$ 6,310,578	6.87%
Total	6,095	100.00%	$ 91,806,415	100.00%

Source: Town of Castle Rock Sales Tax Department

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL SALES TAX REMITTERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 14 (UNAUDITED)

2016			
Number of Filers	**Percentage of Total**	**Tax Liability**	**Percentage of Total**
77	3.49%	$ 10,896,117	26.10%
610	27.66%	3,765,358	9.02%
147	6.67%	7,376,674	17.67%
192	8.71%	5,335,604	12.78%
53	2.40%	3,178,848	7.61%
102	4.63%	2,217,388	5.31%
4	0.18%	2,036,135	4.88%
85	3.85%	1,340,636	3.21%
n/a			
119	5.40%	1,483,165	3.55%
404	18.32%	1,036,407	2.48%
1,793	81.31%	$ 38,666,332	92.61%
412	18.69%	$ 3,087,269	7.39%
2,205	100.00%	$ 41,753,601	100.00%



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Debt Capacity

TOWN OF CASTLE ROCK, COLORADO

RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
TABLE 15 (UNAUDITED)

	Governmental Activities				Business-type Activities	
Year	Revenue Bonded Debt (1)	Certificates of Participation (4)	Capital Leases	Notes Payable	Revenue Bonded Debt (1)	Certificates of Participation (4)
2016	$ 30,913,842	$ 8,220,000	$ 312,801	$ 2,500,000	$ 76,922,774	$ -
2017	30,193,577	7,865,000	-	2,375,000	72,601,088	-
2018	29,368,312	7,505,000	-	2,250,000	68,144,403	-
2019	28,038,047	7,130,000	-	-	63,562,717	-
2020	27,213,771	16,678,982	-	-	58,846,031	-
2021	25,868,270	16,227,093	-	-	53,974,346	-
2022	24,487,770	15,760,204	-	-	78,084,383	-
2023	23,073,934	15,278,315	-	-	71,871,726	-
2024	22,229,258	14,776,425	-	-	66,875,231	-
2025	20,449,583	85,198,725	-	-	61,643,736	-

(1) Presented net of discounts and premiums
(2) Personal income is disclosed on Table 22
(3) US Census Bureau
(4) Amounts presented from 2015 through 2019 are presented prior to discounts and premiums. Amounts presented from 2020 and onward are presented net of discounts and premiums.

TOWN OF CASTLE ROCK, COLORADO

RATIO OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS
TABLE 15 (UNAUDITED)

Capital Leases	Notes Payable	Total Government	Percentage of Personal Income (2)	Population (3)	Per Capita
$ 439,925	$ -	$ 119,309,342	4.12%	62,188	1,919
297,145	-	113,331,810	4.48%	65,520	1,730
150,452	-	107,418,167	3.85%	69,338	1,549
407,441	4,500,000	103,638,205	3.37%	72,168	1,436
243,389	9,000,000	111,982,173	3.34%	75,857	1,476
110,777	9,500,000	105,680,486	2.96%	80,379	1,315
-	8,600,000	126,932,357	3.14%	82,383	1,541
-	7,625,000	117,848,975	2.53%	84,792	1,390
-	6,625,000	110,505,914	3.60%	87,102	1,269
-	5,595,000	172,887,044	1.80%	88,201	1,960

TOWN OF CASTLE ROCK, COLORADO

RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN YEARS
TABLE 16 (UNAUDITED)

Year	Population	Gross General Obligation Bonds	Net Bonded Deb	Percent of Assessed Property Tax Value	Per Capita
2016	62,188	-	-	0%	-
2017	65,520	-	-	0%	-
2018	69,338	-	-	0%	-
2019	72,168	-	-	0%	-
2020	75,857	-	-	0%	-
2021	80,379	-	-	0%	-
2022	82,383	-	-	0%	-
2023	84,792	-	-	0%	-
2024	87,102	-	-	0%	-
2025	88,201	-	-	0%	-

Source: Town of Castle Rock Finance Department.

TOWN OF CASTLE ROCK, COLORADO

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2025
TABLE 17 (UNAUDITED)

Governmental Entity	Assessed Valuation	Bonds Outstanding	Applicable Net Debt %	Applicable Net Debt Amount
Overlapping Debt: (1)				
Douglas County School District Re-1	$ 11,395,745,610	$ 496,817,760	15.430%	$ 76,658,980
Bella Mesa Metro	7,096,820	32,254,000	100.000%	32,254,000
Castle Oaks Metro District #1, 3, 4	90,003,910	46,235,000	100.000%	46,235,000
Castle Pines Commercial Metro #1, 3, 4	16,093,580	4,245,000	100.000%	4,245,000
Castleview Metro #1, 2	4,518,770	23,222,000	100.000%	23,222,000
Castlewood Ranch Metro District	55,865,600	10,220,000	100.000%	10,220,000
Crowfoot Valley Ranch Metro #2	40,379,530	11,630,000	100.000%	11,630,000
Crystal Crossing Metro District	13,922,140	7,445,000	100.000%	7,445,000
Crystal Valley Metro District #2	136,278,890	53,285,000	100.000%	53,285,000
Lanterns Metro #1, 2	43,305,360	54,267,000	100.000%	54,267,000
Maher Ranch Metro District #4	47,114,810	11,657,000	100.000%	11,657,000
Meadows Metro District #1, 2, 7	190,539,240	70,000,000	100.000%	70,000,000
Pinery West Metro #2	65,407,660	-	100.000%	-
Villages at Castle Rock Metro #4	1,522,750	-	100.000%	-
Subtotal, overlapping debt	$ 12,107,794,670	$ 821,277,760		$ 401,118,980
The Town of Castle Rock direct debt(2)				105,648,308
Total direct and overlapping debt				$ 506,767,288

(1) This amount includes General Obligation Bonded Debt. The following entities also overlap the Town, but have no general obligation debt outstanding: Bella Mesa Metro, Castle Oaks Metro #2, Castle Pines Commercial Metro #2 and #5, Castle Rock Fire Protection, Castleton Center Water and Sanitation, Cedar Hill Cemetery, Cherry Creek Basin Water Quality Authority, Crystal Valley Metro #1, Dawson Ridge Metro #1-5, Douglas County, Douglas County Law Enforcement Authority, Douglas County Public Library, Founders Village Metro, Hillside at Castle Rock Metro, Lanterns Metro #1-5, Meadows Metro #3-6, Promenade at Castle Rock Metro #1-3, Silver Heights Water and Sanitation, Villages at Castle Rock Metro #4, #6 and #9, Westfield Metro #1-2

(2) The Town of Castle Rock does not have any General Obligation Bonded Debt. The total direct debt does not include accrued leave.

Sources: Douglas County Assesor's Office as reported by the Special Districts.
Douglas County Finance Department
The Town of Castle Rock

Town of Castle Rock Assessed Valuation	1,758,455,760

TOWN OF CASTLE ROCK, COLORADO

LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
TABLE 18 (UNAUDITED)

Estimated Actual Property Value				$ 20,930,369,595
Debt Limit:				
3% of Estimated Actual Real Estate Value				$ 627,911,088
Amount of Debt Applicable to Debt Limit:				
Gross Debt			$ 172,887,044	
Less:	Sales Tax Revenue Bonds	$ (20,449,583)		
	Finance Purchase Agreements	(85,198,725)		
	Golf Course Revenue Bonds	(955,000)		
	Water & Wastewater Revenue Bonds	(60,688,736)		
	Notes Payable	(5,595,000)		
	Total		(172,887,044)	
	Total Debt Applicable to Debt Limit			-
	Legal Debt Margin			$ 627,911,088

Year	Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to the limit as a percentage of debt limit
2016	$ 216,610,314	$ -	$ 216,610,314	0%
2017	270,585,582	-	270,585,582	0%
2018	283,830,140	-	283,830,140	0%
2019	340,309,479	-	340,309,479	0%
2020	357,156,548	-	357,156,548	0%
2021	396,599,639	-	396,599,639	0%
2022	414,173,711	-	414,173,711	0%
2023	575,857,889	-	575,857,889	0%
2024	591,668,937	-	591,668,937	0%
2025	627,911,088	-	627,911,088	0%

Sources: Douglas County Assessor's Office
Town of Castle Rock Finance Department

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE
LAST TEN YEARS
TABLE 19 (UNAUDITED)

Transportation Revenue Bonds

Year	Sales and Use Tax Revenues[1]	Annual Debt Service				Maximum Annual Debt Service	
		Principal	Interest	Total	Coverage Ratio[2]	Principal and Interest[3]	Coverage Ratio[2]
2016	$ 18,524,010	$ 1,140,000	$ 1,223,366	$ 2,363,366	7.84	$ 2,257,375	8.21
2017	19,750,910	485,000	1,164,850	1,649,850	11.97	2,257,375	8.75
2018	21,515,986	590,000	1,156,538	1,746,538	12.32	2,257,375	9.53
2019	22,306,142	1,095,000	1,137,938	2,232,938	9.99	2,257,375	9.88
2020	23,209,405	1,145,000	992,793	2,137,793	10.86	2,257,375	10.28
2021	28,833,679	1,180,000	701,157	1,881,157	15.33	2,254,203	12.79
2022	30,891,244	1,215,000	608,349	1,823,349	16.94	2,254,203	13.70
2023	30,127,314	1,260,000	556,224	1,816,224	16.59	2,254,203	13.36
2024	31,440,487	730,000	536,425	1,266,425	24.83	2,254,203	13.95
2025	36,286,268	1,665,000	502,749	2,167,749	16.74	2,254,203	16.10

(1) Pledged sales and use tax revenue collected at a rate of 1.35%.

(2) Coverage ratio equals net pledged revenue divided by total bond principal and interest.

(3) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Bonds.

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE
LAST TEN YEARS
TABLE 20 (UNAUDITED)

Golf Fund Revenue

Year	Gross Resources (1)	Expenses (2)	Net Pledged Revenue (3)	Annual Debt Service				Max Annual Debt Service	
				Principal	Interest	Total	Coverage Ratio (4)	Principal and Interest (5)	Coverage Ratio (6)
2016	$ 3,063,507	$ 2,340,670	$ 722,837	$ 355,000	$ 142,297	$ 497,297	1.45	$ 500,815	1.44
2017	3,153,148	2,437,308	715,840	365,000	132,120	497,120	1.44	500,815	1.43
2018	3,224,390	2,440,456	783,934	375,000	121,657	496,657	1.58	500,815	1.57
2019	3,287,340	2,587,352	699,988	385,000	110,909	495,909	1.41	500,815	1.4
2020	3,721,212	2,685,504	1,035,708	400,000	99,862	499,862	2.07	500,815	2.07
2021	4,101,543	3,002,719	1,098,824	410,000	89,375	499,375	2.20	500,637	2.19
2022	3,966,866	3,275,255	691,611	420,000	76,648	496,648	1.39	500,637	1.38
2023	4,624,832	3,337,648	1,287,184	435,000	65,637	500,637	2.57	500,469	2.57
2024	5,190,774	3,781,440	1,409,334	445,000	53,197	498,197	2.83	500,469	2.82
2025	5,981,907	4,162,115	1,819,792	460,000	40,469	500,469	3.64	498,871	3.65

(1) Gross resources include all operating revenues, investment earnings and transfers in.
(2) Expenses include all operating expenses less depreciation and amortization.
(3) Net pledged revenue equals gross resources minus expenses.
(4) Coverage ratio equals net pledged revenue divided by total bond principal and interest.
(5) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Revenue Bonds and Notes.
(6) Coverage ratio equals net pledged revenue divided by the total principal and interest.

TOWN OF CASTLE ROCK, COLORADO

PLEDGED REVENUE COVERAGE
LAST TEN YEARS
TABLE 21 (UNAUDITED)

Water and Wastewater Fund Revenue Bonds and Notes

Year	Gross Resources (1)	Expenses (2)	Net Pledged Revenue (3)	Annual Debt Service				Max Annual Debt Service	
				Principal	Interest	Total	Coverage Ratio (5)	Principal and Interest (4)	Coverage Ratio (5)
2016	$ 51,193,244	$ 18,073,847	$ 33,119,397	$ 4,460,000	$ 1,417,194	$ 5,877,194	5.64	$ 5,866,200	5.65
2017	58,840,495	21,551,190	37,289,305	3,270,000	2,459,971	5,729,971	6.51	5,866,200	6.36
2018	63,781,051	35,614,879	28,166,172	3,395,000	2,357,383	5,752,383	4.90	5,866,200	4.80
2019	69,724,334	42,809,302	26,915,032	3,510,000	2,269,536	5,779,536	4.66	5,866,200	4.59
2020	72,397,608	27,925,784	44,471,824	3,630,000	2,154,083	5,784,083	7.69	5,866,200	7.58
2021	89,965,260	24,108,561	65,856,699	3,775,000	2,034,506	5,809,506	11.34	5,866,200	11.23
2022	82,438,329	32,061,960	50,376,369	4,820,000	2,851,891	7,671,891	6.57	7,699,550	6.54
2023	68,631,244	33,926,081	34,705,163	4,845,000	2,834,842	7,679,842	4.52	6,395,050	5.43
2024	76,646,845	43,066,905	33,579,940	3,720,000	2,618,050	6,338,050	5.30	6,395,050	5.25
2025	76,420,884	40,148,630	36,272,254	3,940,000	2,432,050	6,372,050	5.69	6,395,050	5.67

(1) Gross resources include all operating revenues, system development fees and investment earnings. Prior to the issuance of the 2016 Bonds, the definition of Gross resources specifically excluded the Water Resource Fee and Renewable Water rates and charges imposed pursuant to the Municipal Code. However those revenues are pledged to the 2016 Bonds. The Bond Ordinance specifically extends the pledge of those revenues to the Prior Bonds.

(2) This figure includes all expenses properly allocable to the System pursuant to GAAP. Does not include depreciation, amortization, interest paid on outstanding bonds and gains or losses from sale of capital assets.

(3) Net pledged revenue equals gross resources minus expenses.

(4) Represents the Combined Maximum Annual Principal and Interest Requirements payable on the remaining Revenue Bonds and Notes.

(5) Coverage ratio equals net pledged revenue divided by the total principal and interest.



Demographic and Economic Information



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TOWN OF CASTLE ROCK, COLORADO

DEMOGRAPHIC INFORMATION AND ECONOMIC STATISTICS
LAST TEN YEARS
TABLE 22 (UNAUDITED)

Year	Estimated Population		Personal Income[2] (Thousands of Dollars)	Per Capita Income		Median Age	
2016	62,188	(1)	$ 21,277,108	46,534	(1)	34.8	(1)
2017	65,520	(6)	22,063,919	38,610	(1)	34.6	(1)
2018	69,338	(6)	23,875,828	40,236	(1)	34.8	(1)
2019	72,168	(6)	25,249,718	42,611	(1)	35.2	(1)
2020	75,857	(6)	27,549,902	44,250	(1)	35.8	(1)
2021	80,379	(6)	28,492,015	44,419	(1)	35.2	(1)
2022	82,383	(6)	32,412,414	49,138	(1)	35.7	(1)
2023	84,792	(6)	37,286,156	55,031	(1)	35.8	(1)
2024	87,102	(6)	39,514,603	58,993	(1)	39.4	(1)
2025	88,201	(6)	42,238,032	68,025	(1)	38.4	(1)

Sources:

(1) US Census Bureau
(2) US. Bureau of Economic Analysis. Information is for Douglas County
(3) Colorado Department of Labor. Information is for Douglas County
(4) Douglas County School District
(5) US Census Bureau - 2010 Census
(6) Town of Castle Rock Development Services Department

TOWN OF CASTLE ROCK, COLORADO

DEMOGRAPHIC INFORMATION AND ECONOMIC STATISTICS
LAST TEN YEARS
TABLE 22 (UNAUDITED)

Average Household Size		Unemployment Rate[3]	Public School Enrollment[4]
2.76	(1)	2.7%	13,693
2.84	(1)	2.4%	14,174
2.92	(1)	2.4%	14,405
2.88	(1)	2.9%	13,833
2.89	(1)	2.4%	12,745
2.88	(1)	5.8%	12,811
2.83	(1)	4.1%	12,711
2.74	(1)	2.5%	12,369
2.82	(1)	4.6%	12,065
2.97	(1)	3.2%	12,155

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 23 (UNAUDITED)

	2025		
Company	**Number of FTEs***	**Rank**	**Percentage of Total Town Employment**
Douglas County	1500-2500	1	7%
Douglas County School District	1000-1500	2	4%
Town of Castle Rock	1000-1500	3	4%
Castle Rock Adventist Hospital**	450-650	5	2%
Kroger / King Soopers	450-650	4	2%
Wal-Mart	300-400	6	1%
Castle Rock Homes / Keller Williams	300-400	7	1%
Elite Surface Infrastructure / Entegris Inc	150-250	8	1%
Kohl's	150-250	9	1%
Brookside Inn	150-250	10	1%
Sam's Club			
Lowe's Home Improvement			
Philip S. Miller Library			

* Full time employee equivalents that work in the Castle Rock area.
**Figure includes Centura employees and private practice employees.

Source: Castle Rock Economic Development Council (Castle Rock EDC)

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 23 (UNAUDITED)

2016		
Number of FTEs*	Rank	Percentage of Total Town Employment
1000-1500	2	8%
1000-1500	1	8%
251-500	5	3%
501-750	4	4%
101-250	7	3%
101-250	8	1%
101-250	9	1%
101-250	10	1%
101-250	6	1%

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 24 (UNAUDITED)

		2025		
Taxpayer	**Type of Business**	**Rank**	**Taxable Assessed Valuation**	**% of Town Taxable Assessed Valuation**
Utilities				
Public Service Co of Colorado (XCEL)	Telecommunications			
CORE Electric Cooperative FKA Intermountain Rural Electric Association	Electric	3	$ 9,380,400	0.53%
QWEST Corporation / Centurylink Communications	Telecommunications			
Burlington Northern Santa Fe Railway Company	Railroad			
Union Pacific Corp.	Railroad			
Cellco Partnership	Telecommunications			
Comcast of Colorado X LLC	Telecommunications	2	12,553,900	0.71%
MCI CommunicationServices	Telecommunications			
Intermountain Rural Electric Assoc.	Electric			
TOTAL UTILITIES			$ 21,934,300	1.25%
Non-Utility				
Dillon Companies Inc	Commercial	9	$ 5,864,460	0.33%
GKT Castle Rock PG1, PG2 & PG3 LLC	Commercial	5	6,707,790	0.38%
TKG Castle Rock Colorado LLC	Commercial	10	5,461,030	0.31%
EQR Ledges LLC	Commercial	7	6,532,500	0.37%
Echo Ridge Holdings LLC	Commercial	6	6,587,500	0.37%
Riverwalk Castle Rock LLC	Commercial	8	6,129,460	0.35%
Craig Realty Group Castle Rock, LLC	Commercial	1	22,286,780	1.27%
Castle Rock Development Company	Commercial			
FDG Promenade	Commercial	4	6,937,500	0.39%
TOTAL NON-UTILITY			$ 66,507,020	3.78%
Other Taxpayers			$ 1,670,014,440	94.97%
Assessed Valuation			$ 1,758,455,760	100.00%

Source: Douglas County Treasurer's Office

TOWN OF CASTLE ROCK, COLORADO

PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND NINE YEARS AGO
TABLE 24 (UNAUDITED)

	2016	
Rank	Taxable Assessed Valuation	% of Town Taxable Assessed Valuation
2	$ 59,021,500	6.37%
3	57,946,600	6.25%
5	10,486,330	1.13%
6	10,092,300	1.09%
9	5,660,600	0.61%
10	4,222,300	0.46%
1	69,123,220	7.46%
	$ 216,552,850	23.37%
8	7,151,400	0.77%
4	19,842,250	2.14%
7	8,018,900	0.87%
	$ 35,012,550	3.78%
	$ 675,098,940	72.85%
	$ 926,664,340	100.00%



Operating Information

TOWN OF CASTLE ROCK, COLORADO

FULL-TIME EQUIVALENT TOWN EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 25 (UNAUDITED)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
General government	78	97	90	96	96	95	102	110	84	91
Public safety	174	189	205	219	223	215	237	266	228	254
Public works	38	47	54	63	56	65	66	80	54	59
Cultural and recreation	25	28	30	30	29	31	29	36	32	32
Water	59	67	66	75	80	85	90	93	70	77
Water resources	4	6	8	7	7	8	7	8	22	17
Wastewater	3	4	5	8	7	7	6	10	6	6
Stormwater	10	11	11	10	10	9	13	14	11	12
Golf	8	12	10	11	10	11	12	12	11	12
Community center	17	20	26	22	21	25	29	26	27	22
Development services	41	49	54	49	54	53	63	54	32	34
Total	457	530	559	590	593	604	654	709	577	616

Source: Town of Castle Rock Finance Department

TOWN OF CASTLE ROCK, COLORADO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 26 (UNAUDITED)

Function/ Program	2016		2017	2018
Governmental activities:				
General government				
Number of payroll checks issued	20,231		21,201	22,176
Number of new employees hired	70		69	72
Number of resolutions passed	114		105	105
Number of ordinances passed	42		30	43
Public safety				
Number of arrests	1,358		1,657	1,561
Number of police calls	73,290		71,690	69,411
Number of fire calls	78		89	100
Number of medical calls	3,204		3,529	3,418
Public works				
Number of snow removal hours	4,597		3,364	2,060
Culture and recreation				
Number of golf rounds	39,926		40,002	40,756
Recreation center attendance	435,810	(1)	395,595	374,555
Business- type activities:				
Water				
Number of customer accounts	19,430		20,662	21,878
Average daily consumption - million gallons	7.00		7.00	8.00
Development Services				
Number of new construction permits issued	1,212		1,031	1,785
Number of remodel permits issued	6,954		2,706	2,260

(1) Includes attendance for new Miller Activity Complex.

Sources: Town of Castle Rock Finance, Town Clerk, Police, Fire, Public Works, and Utilities Departments

TOWN OF CASTLE ROCK, COLORADO

OPERATING INDICATORS BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 26 (UNAUDITED)

2019	2020	2021	2022	2023	2024	2025
23,665	20,876	21,828	23,431	33,910	35,559	-
66	70	64	110	108	246	-
133	125	117	142	142	122	159
42	24	33	31	40	25	36
1,391	1,042	1,240	1,380	1,302	1,246	1,109
69,234	63,753	58,093	53,562	55,565	58,314	55,413
75	98	87	127	112	158	96
3,672	3,370	3,851	4,490	4,596	4,893	5,115
7,728	4,706	3,155	4,418	2,695	7,384	2,699
38,837	43,350	49,330	49,170	55,122	59,709	68,628
316,473	218,136	364,485	520,929	591,749	547,368	616,450
21,189	23,989	25,029	26,515	26,971	33,076	28,275
8.00	9.00	8.79	9.37	7.98	9.36	8.88
1,043	1,234	1,348	1,038	713	460	559
3,887	3,889	3,804	3,783	339	369	385

TOWN OF CASTLE ROCK, COLORADO

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 27 (UNAUDITED)

Function/ Program	2016	2017	2018	2019
Governmental activities:				
General government				
Number of Town- owned facilities	11	11	13	16
Public safety				
Number of police stations	1	1	1	1
Number of vehicular patrol units	37	39	40	45
Number of fire stations	4	4	5	5
Public works				
Miles of streets	646	667	689	695
Number of traffic signals	36	38	42	43
Number of street lighting fixtures	630	639	668	876
Culture and recreation				
Acres of developed parks	585	606	611	612
Acres of open space	2,877	2,931	2,925	3,040
Number of pools	4	4	4	4
Golf courses	1	1	1	1
Number of tennis courts	7	7	12	12
Number of ball fields	24	24	20	20
Business- type activities:				
Water				
Miles of water mains	393	401	420	455
Sanitary sewer and storm:				
Miles of sewer lines	271	275	288	303
Miles of storm sewers	143	149	157	170

Sources: Town of Castle Rock Finance, Police, Fire, Public Works, and Castle Rock Water Departments

TOWN OF CASTLE ROCK, COLORADO

CAPITAL ASSETS STATISTICS BY FUNCTION/PROGRAM
LAST TEN YEARS
TABLE 27 (UNAUDITED)

2020	2021	2022	2023	2024	2025
17	17	17	17	17	18
1	1	1	1	1	1
47	51	61	80	89	86
5	5	5	5	5	5
711	730	754	766	776	786
44	44	44	44	44	45
876	685	706	708	761	772
619	792	786	796	796	788
2,934	3,452	3,428	3,461	4,142	6,900
4	4	4	5	5	5
1	1	1	1	1	1
10	10	10	15	15	15
22	22	22	31	13	13
470	485	510	521	532	538
309	313	320	325	333	340
179	185	190	198	146	148

TOWN OF CASTLE ROCK, COLORADO

MISCELLANEOUS STATISTICS
AS OF DECEMBER 31, 2025
TABLE 28 (UNAUDITED)

Date of incorporation		1881
Home rule charter adopted		1987
Form of government		Council - Manager
Area - Square miles		37.42
Population (estimate)		88,201
Fire Protection		
Number of stations		5
Number of paid firefighters		96
Number of volunteer firefighters		6
Police Protection		
Number of stations		1
Number of commissioned officers		107
Number of reserve officers		0
Education - Douglas County School District		
Number of students (Castle Rock schools)		12,155
Number of charter schools		4
Number of magnet schools		1
Number of elementary schools		9
Number of middle schools		2
Number of high schools		3
Building Permits issued (includes new construction and remodel)		559
Building permits value	$	226,661,620
Employees: (excluding Police and Fire)		
Full-time		355
Part-time		444

Sources: Town of Castle Rock Finance, Police, Fire, Development Services, Douglas County School District and US Census Bureau.

COMPLIANCE SECTION

Local Highway Finance Report

LOCAL HIGHWAY FINANCE REPORT

STATE:	
COLORADO	

THIS INFORMATION FROM THE RECORDS OF:	PREPARED BY:	REPORT YEAR ENDING DATE(mm/yyyy):
Town of Castle Rock	Ray Furlong rfurlong@crgov.com	12/2025

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. Total (1 - (2 through 4))				

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 Assesments		a. Interest on investments	2,649,359.00
b. Non-property Taxes and Assessments Imposts	36,644,333.00	b. Other Misc. Local Receipts	43,534,614.00
c. Total (a + b)	$ 36,644,333.00	**c. Total (a + b)**	$ 46,183,973.00
ITEM	**AMOUNT**	**ITEM**	**AMOUNT**
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user Taxes (from Item I.C.5.)	2,980,326.00	1. FHWA (from Item I.D.5.)	0.00
2. State General Funds		2. Other Federal Agencies:	7,623,687.00
3. Other State funds:			
a. State Bond Proceeds			
b. Non-State Bond Proceeds			
c. Total (a + b)	$ -		
4. Total (1 + 2 + 3c)	$ 2,980,326.00	**3. Total (1 + 2)**	$ 7,623,687.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

ITEM	AMOUNT
A.1. Capital outlay:	
a. Right-Of-Way Costs	0.00
b. Engineering Costs	49,747,455.00
c. Construction Costs	20,408,894.00
d. Total Capital Outlay (a+ b + c)	$ 70,156,349.00

LOCAL HIGHWAY FINANCE REPORT

STATE: COLORADO

REPORT YEAR ENDING DATE(mm/yyyy): 12/2025

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. Amount used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from Local Sources:	
1. Local Highway-user Taxes	
a. Motor Fuel (from Item I.A.1)	
b. Motor Vehicle (from Item I.B.1)	
c. Total (a + b)	
2. General Fund Appropriations	19,079.00
3. Other Local Imposts (from page 1, Item II.A3.c)	$ 36,644,333.00
4. Miscellaneous Local Receipts (from page 1, Item II.A4.c)	$ 46,183,973.00
5. Transfers from Toll Facilities	
6. Proceeds of Sale of Bonds and Notes:	
a. Bonds - Original Issues	
b. Bonds - Refunding Issues	
c. Notes	
d. Total (a + b + c)	$ -
7. Total (1 through 6)	$ 82,847,385.00
B. Private Contributions	
C. Receipts from State government (from page 1, Item II.C.4)	$ 2,980,326.00
D. Receipts from Federal government (from page 1, Item II.D.3)	$ 7,623,687.00
E. Total receipts (A.7 + B + C + D)	$ 93,451,398.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital Outlay (from page 1, Item III.A1.d)	$ 70,156,349.00
2. Maintenance:	
3. Road and Street Services:	
a. Snow and Ice Removal	
b. Other & Traffic Control Operations	5,949,052.00
c. Total (a + b)	$ 5,949,052.00
4. General Administration & Miscellaneous	750,532.00
5. Highway Law Enforcement and Safety	19,079.00
6. Total (1 through 5)	$ 76,875,012.00
B. Debt Service on Local Obligations:	
1. Bonds:	
a. Interest	502,749.00
b. Redemption	1,665,000.00
c. Total (a + b)	$ 2,167,749.00
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a + b)	$ -
3. Total (1c + 2c)	$ 2,167,749.00
C. Payments to State for Highways	
D. Payments to Toll Facilities	
E. Total Expenditures (A6 + B3 + C + D)	$ 79,042,761.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

ITEM	OPENING DEBT	AMOUNT ISSUED	REDEMPTIONS	CLOSING DEBT
A. Bonds (Total)	21,830,000	$ -	$ 1,665,000.00	$ 20,165,000.00
1. Bonds (Refunding Portion)		$ -		
B. Notes (Total)		$ -	$ -	$ -