City of Castle Pines, Colorado

Financial Statements and
Independent Auditors' Report

December 31, 2023

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Haynie & Company
Certified Public Accountants
& Management Consultants

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

303-734-4800
303-795-3356
www.HaynieCPAs.com

Independent Auditor's Report

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

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Castle Pines, Colorado, as of and for the year ended December 31, 2023 and the related notes to the financial statements, which collectively comprise the City of Castle Pines, Colorado's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Castle Pines, Colorado, as of December 31, 2023 and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City of Castle Pines, Colorado and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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

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

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

In performing an audit in accordance with generally accepted auditing standards we:

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

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

Required Supplementary Information

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

Supplementary Information

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

Haynie & Company

Littleton, Colorado
July 22, 2024

Management's Discussion and Analysis

City of Castle Pines, Colorado
Management's Discussion and Analysis
December 31, 2023

The City of Castle Pines (City) offers readers of these financial statements an overview and analysis of the City's financial activities for the year ended December 31, 2023.

FINANCIAL HIGHLIGHTS

- Total assets exceeded total liabilities (net position) by $88,446,950 at the end of the year.
- The City's total governmental funds reported an ending fund balance of $17,836,844.
- The City's General Fund reported an ending fund balance of $1,211,899, a decrease of $3,250,780 from the prior year.
- Forty-four percent (44%) of the General Fund ending fund balance consists of $528,701 in unrestricted, unassigned fund balance, available for spending at the City's discretion.
- General Fund revenues were $2,566,349 lower than the budgeted amount. The primary reason for this is an unexpected slowdown in new home construction, leading to construction materials use tax revenue and building permit fee revenue not meeting budget expectations. There were 375 building permits issued for new home construction compared to the 663 that were originally expected.
- The General Fund expenditures were within budget, with a positive variance of $1,536,211.
- All other City funds were within budget as well.

OVERVIEW OF FINANCIAL STATEMENTS

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

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

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

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

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

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

Fund financial statements. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City maintains seven (7) funds: the General Fund, the Parks and Recreation Fund, the Parks and Recreation North Fund, the Community Capital Investment Fund, the Capital Improvements Fund, the Conservation Trust Fund, and the North Pine Vistas Metro Districts Nos. 1-3 O&M Fund (NPVMD Fund).

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

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

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

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

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

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

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve as a useful indicator of a government's financial position over time. At the close of the most recent fiscal year, the City's assets related to governmental activities exceeded liabilities by $88,446,950.

NET POSITION

	2023	2022
Current assets	$ 28,375,302	$ 17,449,175
Other assets		
Capital assets	70,299,197	65,476,468
Total assets	98,674,499	82,925,643
Deferred outflows of resources	729,751	307,599
Current liabilities	4,293,824	3,632,244
Noncurrent liabilities	475,026	531,226
Total liabilities	4,768,850	4,163,470
Deferred inflows of resources		
Property taxes	6,155,498	1,199,611
Deferred inflows related to pension	6,060	911,565
Deferred inflows related to OPEB	26,892	28,652
Deferred inflows of resources	6,188,450	2,139,828
Net investment in capital assets	70,216,874	65,371,290
Restricted net position	8,196,355	919,586
Unrestricted net position	10,033,721	10,639,068
Total net position	$ 88,446,950	$ 76,929,944

At the end of the current fiscal year, the City reports positive balances in all three categories of net position. The largest portion of the City's net position, $70,216,874 (79.4%), reflects its investment in capital assets. The City utilizes these capital assets to provide services to citizens. Consequently, these assets are not available for future spending.

An additional portion, $8,196,355, of the City's net position (9.3%) represents resources that are subject to restrictions on how they can be used and are not currently available for the City's ongoing obligations (e.g., emergency TABOR reserve and funds restricted for parks, recreation, and open space, including Conservation Trust Fund eligible expenditures). The remaining balance of unrestricted net position totaling $10,033,721 (11.3%) is available and may be used to meet the City's future expenditures.

The most significant changes in the City's net position were in capital assets and restricted net position. The City's net investment in capital assets increased by $4,845,584 due to its investment in capital assets (street improvements and gateway monuments). The City's restricted net position increased by $7,276,769 because of the funds transferred from the Castle Pines North Metro District. See Note 8 - Transfer of Operations on page 42 for more information.

Change in Net Position

	2023	2022
Revenue		
Program revenues		
Charges for service	$ 3,172,836	$ 2,758,775
Operating grants and contributions	2,374,959	362,564
Capital grants and contributions	698,213	4,352,639
General Revenues		
Sales and use taxes	7,798,931	8,839,260
Property and specific ownership taxes	1,311,096	1,247,669
Franchise fees	692,632	669,184
Intergovernmental	1,562,425	1,627,524
Interest income (loss)	1,034,027	(354,486)
Special item	8,377,188	-
Miscellaneous	26,854	69,654
Total Revenues	27,049,161	19,572,783
Expenses		
General government	2,345,948	1,907,045
Public safety	1,382,433	1,240,832
Public works	6,144,870	5,819,225
Parks and recreation	2,915,564	1,110,447
Community development	2,459,767	3,134,470
Stormwater	283,573	-
Total Expenses	15,532,155	13,212,019
Change in net position	11,517,006	6,360,764
Net position - beginning	76,929,944	70,569,180
Net position - ending	$ 88,446,950	$ 76,929,944

Net position increased by $11,517,006 with total revenue of $27,049,161 outpacing total expenses of $15,532,155.

In 2023, the City experienced a significant increase in total revenues, from $19,572,783 in 2022 to $27,049,161, an overall growth of $7,476,378. This notable increase can be primarily attributed to two key factors.

First, the introduction of a special item in 2023 added $8,377,188 to the City's revenues, compared to $0 in 2022. This one-time revenue source resulted from funds transferred from the Castle Pines North Metro District, as detailed in Note 8.

Second, there was a substantial improvement in interest income, which jumped from a loss of $354,486 in 2022 to a gain of $1,034,027 in 2023, marking a positive change of $1,388,513. This improvement was due to better interest rates and the additional cash from the Castle Pines North Metro District. Additionally, in 2022, there was a $607,597 loss recorded for the fair value of investments (mark-to-market), leading to negative interest. In contrast, in 2023, the fair value of the City's investments increased by $368,337. It's important to note that gains or losses in the fair value of investments are considered "paper-only," as the City holds its investments to maturity, meaning these changes are not truly realized.

However, the revenue gains from the special item and interest income were offset by declines in Sales/Use Taxes and Capital Grants and Contributions. Sales and Use Taxes decreased by $1,040,329, from $8,839,260 in 2022 to $7,798,931 in 2023. This decline was primarily due to a reduction in construction use tax revenue, reflecting a continued downturn in new home construction. Capital Grants and Contributions also saw a decrease of $3,654,426, from $4,352,639 in 2022 to $698,213 in 2023. This decrease was largely because capital projects were better funded by capital grants in 2022, including a notable $3 million received from Douglas County for a major road project.

In 2023, the City's total expenses increased 18% from $13,212,019 in 2022 to $15,532,155, marking an overall rise of $2,320,136. This increase can be attributed to various changes in individual expense categories.

General government expenses rose by $438,903 (23%), from $1,907,045 in 2022 to $2,345,948 in 2023. Public safety expenses also saw an increase, climbing by $141,601 (11%) from $1,240,832 in 2022 to $1,382,433 in 2023. Public works expenses experienced a modest increase of $325,645 (6%), going from $5,819,225 in 2022 to $6,144,870 in 2023. The biggest reason general government expenses rose 23% is because City offices relocated from an essentially free space in the Douglas County Library building to a different office building resulting in lease costs and costs to renovate and equip the new space.

The most substantial increase was observed in Parks and Recreation expenses, which rose by $1,805,117, from $1,110,447 in 2022 to $2,915,564 in 2023. This increase indicates a significant investment in parks (acquisition of land, completion of Pronghorn Park, which includes a regional 18-hole disc golf course) and taking over the operation and maintenance of Castle Pines North Metro District parks. The City also took over the completion of pickleball courts within the district.

On the other hand, Community Development expenses decreased by $674,703 (22%), falling from $3,134,470 in 2022 to $2,459,767 in 2023. The reduced expenses are a result of the decrease in new home construction. Additionally, stormwater expenses were introduced in 2023, amounting to $283,573, compared to no recorded expenses in this category in 2022. The City took over stormwater services from the Castle Pines North Metro District.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

The following discussion narrows the focus from City-wide activities to the City's governmental funds. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The City's financial reporting uses seven (7) funds: the General Fund, Parks and Recreation Fund, Parks and Recreation North Fund, North Pine Vistas Metro Districts Nos. 1-3 O&M Fund (NPVMD Fund), Conservation Trust Fund, Community Capital Investment Fund, and Capital Improvements Fund.

General Fund

The General Fund accounts for all government revenue and expenditures not specific to one of the other funds.

At the end of 2023, the General Fund reported an ending fund balance of $1,211,899. General Fund revenues ($15,192,351) exceeded expenditures ($8,518,789) by $6,673,562. In addition to funding City operations, General Fund revenue, including prior year surplus revenue (i.e., fund balance) was transferred to the Capital Improvements Fund ($7,475,000) for capital projects and to the Parks and Recreation Fund ($704,996) for operating and capital projects. Overall, the General Fund's fund balance decreased by $1,539,480 because of the City's investment in street capital improvements.

The unrestricted-unassigned ending fund balance, available for spending at the City's discretion, is $528,701 and makes up 44% of the total ending fund balance.

The remaining fund balance is made up of non-spendable ($80,339) and restricted ($602,859) fund balances. The entire restricted fund balance consists of emergency reserves set aside as the State Constitution requires (amendment to Article X, Section 20).

Capital Improvement Fund

The Capital Improvements Fund accounts for capital projects or outlay not accounted for in other City funds and receives most of its revenue from the General Fund. Total expenditures were

$8,000,918. Of that, $5,210,741 was spent on street and street-related improvements and $2,790,177 on entryway gateway monumentation. These expenditures were supported by a transfer from the General Fund ($7,475,000 for street and gateway improvements), the Parks and Recreation North Fund ($362,800 for landscaping on Monarch Blvd.), and a contribution from a developer ($75,000 for the CPP/I-25 gateway monument). Fund balance decreased $88,118, decreasing from $5,962,494 to $5,874,376.

BUDGETARY HIGHLIGHTS

General Fund

Overall, actual revenues ($15,192,351) are lower than the budgeted amount ($17,758,700) by $2,566,349.

Tax revenue is $1,958,573 lower than the budgeted amount. The biggest contributing factor to the negative budget variance is construction materials use tax revenue, which is $1,703,840, lower than budget expectations. The forecast was hopeful for a turnaround from the new home construction decline experienced in 2022.

Intergovernmental revenue and charges for services revenue were a combined $373,663 lower than the budgeted amount. Again, the biggest contributing factor to the negative variance is the non-meeting of expectations in new home construction activity.

Total expenditures are lower than the budget by $1,536,211. Budget savings are realized in Public Works ($731,885), Community Development ($517,745), and Economic Development ($807,387). Public Works savings result from reduced spending on routine road repairs due to an increased focus on major road repairs (accounted for in the Capital Improvements Fund). The savings in Community Development and Economic Development are directly related to the same decreases in revenue because of the decrease in new home construction activity: building department services expenditures and construction materials use tax credits.

Capital Improvements Fund

Significant project savings and projects not completed in 2023 (budget carried forward to 2024) resulted in a positive expenditure budget variance in expenditures of $6,394,182. The negative revenue budget variance of $2,171,700 is due to budgeted contributions and grants not being received because the related expenditures had not occurred.

CAPITAL ASSETS

Information on the City’s capital assets can be found in Note 3 on page 21 of this report.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City of Castle Pines' finances for all those with an interest in the City's finances. Questions concerning any information provided in this report or requests for additional information can be emailed to information@castlepinesco.gov or mailed to the address below.

City of Castle Pines
Attn: Finance Department
7437 Village Square Drive, Suite 200
Castle Pines, CO, 80108

Basic Financial Statements

City of Castle Pines, Colorado
Statement of Net Position
December 31, 2023

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	$ 19,240,751	$ 1,369,455	$ 20,610,206
Accounts receivable	1,438,431	34,673	1,473,104
Property taxes receivable	6,155,498	-	6,155,498
Interest receivable	49,604	3,628	53,232
Prepaid expenses	80,339	-	80,339
Other assets	2,923	-	2,923
Capital assets, not being depreciated	3,599,352	82,323	3,681,675
Capital assets, net of accumulated depreciation	66,617,522	-	66,617,522
Total assets	97,184,420	1,490,079	98,674,499
Deferred Outflows of Resources			
Deferred outflows related to pension	685,771	-	685,771
Deferred outflows related to OPEB	43,980	-	43,980
Total deferred outflows of resources	729,751	-	729,751
Total assets and deferred outflows of resources	$ 97,914,171	$ 1,490,079	$ 99,404,250
Current Liabilities			
Accounts payable	$ 1,600,402	$ 962	$ 1,601,364
Accrued liabilities	1,297,347	-	1,297,347
Deposits held	77,455	25,749	103,204
Net pension liability	1,215,553	-	1,215,553
Net OPEB liability	76,356	-	76,356
Total current liabilities	4,267,113	26,711	4,293,824
Noncurrent Liabilities			
Due in one year	97,027	-	97,027
Due in more than one year	377,999	-	377,999
Total long-term liabilities	475,026	-	475,026
Deferred Inflows of Resources			
Property tax revenue	6,155,498	-	6,155,498
Deferred inflows related to pension	6,060	-	6,060
Deferred inflows related to OPEB	26,892	-	26,892
Total deferred inflows of resources	6,188,450	-	6,188,450
Net Position			
Investment in capital assets	70,216,874	-	70,216,874
Restricted for:			-
Emergencies	602,859	8,507	611,366
Parks and open space	7,584,989	-	7,584,989
Unrestricted:	8,578,860	1,454,861	10,033,721
Total net position	86,983,582	1,463,368	88,446,950
Total liabilities, deferred inflows of resources and net position	$ 97,914,171	$ 1,490,079	$ 99,404,250

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

City of Castle Pines, Colorado
Statement of Activities
For the Year Ended December 31, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Change in Net Position: Governmental Activities	Net (Expense) Revenue and Change in Net Position: Business-Type Activities	Net (Expense) Revenue and Change in Net Position: Governmental Total
Primary Government:							
Governmental Activities:							
General government	$ 2,345,948	$ 369,771	$ 1,000	$ -	$ (1,975,177)	$ -	$ (1,975,177)
Public safety	1,382,433	-	-	-	(1,382,433)	-	(1,382,433)
Public works	6,144,870	547,270	-	173,286	(5,424,314)	-	(5,424,314)
Parks and recreation	2,915,564	49,429	2,373,959	524,927	32,751	-	32,751
Community development	2,459,767	1,870,712	-	-	(589,055)	-	(589,055)
Total Governmental Activities	15,248,582	2,837,182	2,374,959	698,213	(9,338,228)	-	(9,338,228)
Business-Type Activities:							
Stormwater	283,573	335,654	-	-	-	52,081	52,081
Total Business-Type Activities	283,573	335,654	-	-	-	52,081	52,081
Total Primary Government	$ 15,532,155	$ 3,172,836	$ 2,374,959	$ 698,213	$ (9,338,228)	$ 52,081	$ (9,286,147)

	Governmental Activities	Business-Type Activities	Governmental Total
General Revenues (Expenses):			
Property taxes	$ 1,199,886	$ -	$ 1,199,886
Specific ownership taxes	111,210	-	111,210
Sales taxes	4,327,176	-	4,327,176
Use taxes	3,471,755	-	3,471,755
Franchise fees	692,632	-	692,632
Interest income (loss)	998,703	35,324	1,034,027
Intergovernmental revenues not restricted to specific programs	1,562,425	-	1,562,425
Special item	7,001,225	1,375,963	8,377,188
Miscellaneous	26,854	-	26,854
Total General Revenues (Expenses)	19,391,865	1,411,287	20,803,153
Change in net position	10,053,638	1,463,368	11,517,006
Net position - beginning of year	76,929,944	-	76,929,944
Net position - end of year	$ 86,983,582	$ 1,463,368	$ 88,446,950

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

City of Castle Pines, Colorado
Balance Sheet
Governmental Funds
December 31, 2023

		Special Revenue Major Funds		Capital Project Major Funds			
	General	Parks and Recreation	Parks and Recreation North	Community Capital Investment	Capital Improvements	Other Governmental Funds	Total
Assets							
Cash and investments	$ 1,186,885	$ 148,918	$ 6,649,680	$ 3,042,000	$ 7,462,086	$ 751,182	$ 19,240,751
Prepaid expenses	80,339	-	-	-	-	-	80,339
Other assets	2,923	-	-	-	-	-	2,923
Accounts receivable	1,054,817	-	47,536	-	-	336,078	1,438,431
Due (To)/From Other Funds	98,677	-	-	-	-	(98,677)	-
Interest receivable	31,988	-	17,616	-	-	-	49,604
Property tax receivable	1,678,772	4,476,726	-	-	-	-	6,155,498
Total assets	$ 4,134,401	$ 4,625,644	$ 6,714,832	$ 3,042,000	$ 7,462,086	$ 988,583	$ 26,967,546
Liabilities, Deferred Inflows of Resources and Fund Balances							
Liabilities							
Accounts payable	$ 478,434	13,353	$ 72,848	$ -	$ 1,031,425	$ 4,342	$ 1,600,402
Accrued liabilities	687,841	11,985	41,236	-	556,285	-	1,297,347
Deposits held	77,455	-	-	-	-	-	77,455
Total Liabilities	1,243,730	25,338	114,084	-	1,587,710	4,342	2,975,204
Deferred Inflows of Resources							
Property taxes	1,678,772	4,476,726	-	-	-	-	6,155,498
Total deferred inflows of resources	1,678,772	4,476,726	-	-	-	-	6,155,498
Fund Balances							
Nonspendable:							
Prepaid expenses	80,339	-	-	-	-	-	80,339
Restricted:							
Emergency reserve	602,859	-	-	-	-	-	602,859
Parks and open spaces	-	-	6,600,748	-	-	984,241	7,584,989
Assigned	-	123,580	-	3,042,000	5,874,376	-	9,039,956
Unassigned	528,701	-	-	-	-	-	528,701
Total Fund Balances	1,211,899	123,580	6,600,748	3,042,000	5,874,376	984,241	17,836,844
Total Liabilities, Deferred Inflows of Resources and Fund Balances	$ 4,134,401	$ 4,625,644	$ 6,714,832	$ 3,042,000	$ 7,462,086	$ 988,583	$ 26,967,546

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

City of Castle Pines, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2023

Amounts reported for governmental activities in the statement of net position are different because:	
Total fund balance - governmental fund	$ 17,836,844
Capital assets used in governmental activities are not financial resources and therefore are not reported in governmental funds.	70,216,874
Deferred outflows are not current assets or financial resources; and deferred inflows are not due and payable in the current period and therefore are not reported in governmental funds.	
Deferred outflows related to pension	685,771
Deferred outflows related to OPEB	43,980
Deferred inflows related to pension	(6,060)
Deferred inflows related to OPEB	(26,892)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds balance sheet. Long-term liabilities at year end consist of:	
Lease liability, including accrued interest	(425,933)
Net pension liability	(1,215,553)
Net OPEB liability	(76,356)
Accrued compensated absences	(49,093)
Total net position - governmental activities	$ 86,983,582

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

City of Castle Pines, Colorado
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2023

		Special Revenue Major Funds		Capital Project Major Funds			
	General	Parks and Recreation	Parks and Recreation North	Community Capital Investment	Capital Improvements	Other Governmental Funds	Total Governmental Funds
Revenues:							
Taxes	$ 9,110,027	$ -	$ -	$ -	$ -	$ -	$ 9,110,027
Franchise fees	692,632	-	-	-	-	-	692,632
Licenses and permits	241,781	-	-	-	-	-	241,781
Charges for services	2,338,926	49,429	-	-	-	-	2,388,355
Fines and forfeitures	207,046		-	-	-	-	207,046
Intergovernmental	1,593,211	300,000	1,974,504	-	-	399,205	4,266,920
Investment income	756,698	-	189,056	-	-	52,949	998,703
Other	252,030	-	-	-	75,000	-	327,030
Total Revenues	15,192,351	349,429	2,163,560	-	75,000	452,154	18,232,494
Expenditures:							
General government	2,343,726	-	-	-	-	-	2,343,726
Public safety	1,385,023	-	-	-	-	-	1,385,023
Public works	1,907,615	-	-	-	510,758	106,623	2,524,996
Parks and recreation	422,658	606,353	1,640,334	-	-	-	2,669,345
Community development	2,459,767	-	-	-	-	-	2,459,767
Capital Outlay	-	1,184,644	37,641	-	7,490,160	-	8,712,445
Total Expenditures	8,518,789	1,790,997	1,677,975	-	8,000,918	106,623	20,095,302
Transfers in (out):							
General Fund	-	704,996	-	-	7,475,000	33,046	8,213,042
Parks and Recreation	(704,996)	-	-	-	-	(250,000)	(954,996)
Conservation Trust Fund	(33,046)	250,000	-	-	-	-	216,954
Capital Improvements Fund	(7,475,000)	-	(362,800)	-	-	-	(7,837,800)
P&R North	-	-	-	-	362,800	-	362,800
Total Transfers	(8,213,042)	954,996	(362,800)	-	7,837,800	(216,954)	-
Special Item	-	-	6,477,963	-	-	523,262	7,001,225
Net change in fund balances	(1,539,480)	(486,572)	6,600,748	-	(88,118)	651,839	5,138,417
Fund balances:							
Beginning of the year	2,751,379	610,152	-	3,042,000	5,962,494	332,402	12,698,427
End of the year	$ 1,211,899	$ 123,580	$ 6,600,748	$ 3,042,000	$ 5,874,376	$ 984,241	$ 17,836,844

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

City of Castle Pines, Colorado
Reconciliation of the Changes in Fund Balances of the Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2023

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

Net changes in fund balances of governmental funds	$ 5,138,417
Capital outlays to purchase or construct capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are capitalized in the statement of net position and are allocated over their estimated useful lives as annual depreciation expense in the statement of activities.	
Capital outlay	8,712,445
Depreciation expense	(3,879,635)
The repayment of the principal of long-term debt consumes the current financial resources of governmental funds, but does not havee an effect on net position in the Statement of Activities. Interest expense is recognized as an expenditure in the governmental funds when it is due, while interest expense is recognized when incurred in the statement of activities. The net effect of these differences in the treatment of long-term liabilities and related expenditures is as follows:	
Principal repayment of long-term debt	84,564
Changes in the City's net pension liability, net OPEB liability, deferred outflows of resources and deferred inflows of resources related to the City's pension and OPEB plans for the current year do not (require)/provide the (use)/benefit of current financial resources, and therefore, are not reported as (expenditures)/income in the governmental fund financial statements	13,438
Some revenue and expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as revenue or expenditures in the governmental funds.	
Amortization of right-to-use asset	(83,902)
Donated assets	68,500
Increase in compensated absences	(190)
Change in Net Position of Governmental Activities	$ 10,053,638

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

City of Castle Pines, Colorado

Statement of Net Position

Proprietary Fund

December 31, 2023

		Stormwater Fund
Assets		
Cash and investments	$	1,369,455
Accounts receivable		34,673
Interest receivable		3,628
Capital assets, not being depreciated		82,323
Total assets	$	1,490,079
Current Liabilities		
Accounts payable	$	962
Deposits held		25,749
Total current liabilities		26,711
Net Position		
Restricted for:		
Emergencies		8,507
Unrestricted:		1,454,861
Total net position		1,463,368
Total liabilities, deferred inflow of resources and net position	$	1,490,079

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

City of Castle Pines, Colorado
Statement of Revenues, Expenses and Change in Net Position
Proprietary Fund
For the Year Ended December 31, 2023

	Stormwater Fund
Operating revenues	
Charges for services	$ 335,654
Total Operating revenues	335,654
Operating expenses	
Operating expenses	283,573
Total Operating expenses	283,573
Operating income	52,081
Non-operating revenues	
Investment earnings	35,324
Special item	1,375,963
Total Non-operating revenues	1,411,287
Change in Net Position	1,463,368
Net Position, beginning of year	-
Net Position, end of year	$ 1,463,368

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

City of Castle Pines, Colorado
Statement of Cash Flows
Proprietary Fund
For the Year Ended December 31, 2023

		Stormwater Fund
Cash Flows from Operating Activities		
Receipts from customers	$	297,354
Payments to suppliers for goods and services		(131,693)
Payments to and on behalf of employees		(125,170)
Net Cash from Operating Activities		40,491
Cash Flows from Non-Capital Financing Activities		
Special item		1,375,963
Net Cash used by Non-Capital Financing Activities		1,375,963
Cash Flows from Capital and Related Financing Activities		
Purchase of capital assets		(82,323)
Net Cash used by Capital and Related Financing Activities		(82,323)
Cash Flows from Investing Activities		
Interest received		35,324
Net Cash from Capital and Related Financing Activities		35,324
Net Change in Cash and Cash Equivalents		1,369,455
Cash and Cash Equivalents		
Beginning of Year		-
End of Year	$	1,369,455
Cash is reflected on the Statement of Net Position as follows:		
Cash and investments	$	1,369,455
Total cash	$	1,369,455
Reconciliation of Operating Income to Net Cash from Operating Activities		
Operating income	$	52,081
Adjustments to reconcile operating income to net cash flows from operating activities		
(Increase) decrease in operating assets:		
Accounts receivable		(34,673)
Interest receivable		(3,628)
Increase (decrease) in operating liabilities:		
Accounts payable and other liabilities used for operations		26,711
Net Cash from Operating Activities	$	40,491

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

1. Summary of Significant Accounting Policies

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

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

Reporting Entity

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

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

Government-wide and Fund Financial Statements

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

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

1. Summary of Significant Accounting Policies (continued)

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

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

Measurement focus, basis of accounting, and financial statement presentation

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

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

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

1. Summary of Significant Accounting Policies (continued)

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

General Fund - The City's primary operating fund. It is currently used to account for the general financial activities of the City.
Parks and Recreation Fund – A special revenue fund that accounts for the expenditures devoted to the maintenance and general upkeep of parks and recreational amenities. Parks, recreation, and trail improvements are also accounted for in this fund, supported by park user fees and General Fund revenues.
Parks and Recreation North Fund – A special revenue fund that accounts for the expenditures devoted to the maintenance and general upkeep of parks, open space, and recreational amenities in accordance with an intergovernmental agreement with Castle Pines North Metropolitan District.
Community Capital Investment Fund **–** A capital projects fund that accounts for funds reserved for future capital asset purposes. Typically, the source of revenue comes via a transfer from the General Fund of funds more than the 25% reserve policy requirement at the City Council's discretion or one-time revenues assigned for specific future capital projects.
Capital Improvement Fund **–** A capital projects fund that accounts for capital improvements or acquisitions. The primary source of revenue comes from the General Fund.

The City reports one major proprietary fund:

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

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

Conservation Trust Fund – A special revenue fund that accounts for all government revenue and expenditures associated with state lottery disbursements and may only be used for parks and recreation maintenance or capital purposes.
North Pine Vistas Metro District Nos. 1-3 O&M Fund – A special revenue fund that accounts for funds received from the North Pine Vistas Metro District to own, operate, and maintain specific public improvements within the District.

1. Summary of Significant Accounting Policies (continued)

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

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

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

Budgets

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

On or before September 30, the City staff submits to the Council a proposed budget for the next fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them. A public hearing is conducted by the City Council to obtain taxpayer comments. State law requires that the City adopt a budget prior to the certification of its mill levy to the county and file a certified copy of its budget with the Division of Local Government within 30 days of such adoption. Failure to do so can result in the County Treasurer withholding future property tax revenues pending compliance by the City. The City filed the certified copy of its budget timely for 2023.

1. Summary of Significant Accounting Policies (continued)

Assets, Liabilities and Net Position/Fund Balance

Cash and Investments

Investments are reported at fair value.

Receivables

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

Prepaid Expenses

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

Capital Assets

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

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

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

Deferred Inflows of Resources

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

1. Summary of Significant Accounting Policies (continued)

Leases

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

At the commencement of a lease, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life.

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

- The City uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the City generally uses the risk-free rate equivalent to the U.S. Treasury rate.
- The lease term includes the noncancellable period of the lease.
- Lease payments included in the measurement of the lease liability are composed of fixed payments, variable payments fixed in substance or that depend on an index or a rate, purchase option price that the City is reasonably certain to exercise, lease incentives receivable from the lessor, and any other payments that are reasonably certain of being required based on an assessment of all relevant factors.

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

Compensated Absences

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

Net Position/Fund Balance

In the government-wide and fund financial statements, net position and fund balance are

1. Summary of Significant Accounting Policies (continued)

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

Fund Equity

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

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

- *Nonspendable fund balance*- The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

- *Restricted fund balance* - The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

- *Committed fund balance*- The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the City Council. The constraint may be removed or changed only through formal action of the City Council.

- *Assigned fund balance* - The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the City Council to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

- *Unassigned fund balance*- The residual portion of fund balance that does not meet any of the criteria described above.

1. Summary of Significant Accounting Policies (continued)

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

Property Taxes

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

Pensions

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

Investments are reported at fair value.

Risk Management

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

New Accounting Pronouncements

For 2023, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements. GASB Statement No. 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. There was no impact to the City's financial statements related to this implementation.

2. Cash and Investments

Cash Deposits

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

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy of limiting custodial credit risks by assuring that deposits are only made in eligible public depositories. As of December 31, 2023, none of the City's deposits are deemed to be exposed to custodial credit risk.

A summary of cash and investments as of December 31, 2023, follows:

Cash deposits	$ 42,973
Investments	20,567,235
Total	$ 20,610,208

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

Governmental activities	$ 19,240,751
Business-type activities	1,369,455
Total cash and investments	$ 20,610,208

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

1. Repurchase agreements in obligations of the United States;
2. Obligations of the United States or obligations unconditionally guaranteed by the United States;
3. General obligation or revenue bonds of any state, District of Columbia, US territory or any of their subdivisions, with certain limitations;
4. Bankers acceptance issued by a state or national bank, with certain limitations;
5. Commercial paper, with certain limitations;

2. Cash and Investments (continued)

6. Any obligation, certificate of participation or lease/purchase of the investing public entity;
7. Money market funds, with certain limitations, which invest in the types of securities listed above;
8. Guaranteed investment contracts, with other certain limitations;
9. Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments, and must comply with the same restrictions on cash deposits and investments. These trusts are "Colotrust" and "CSAFE".

At December 31, 2023, the City had the following investments reported as cash and investments:

		Investment Maturities (in Years)			
Investment	**Rating**	**Less than 1**	**1 to Less than 5**	**Total**	**Concentration of Credit Risk**
Money Market Funds	N/A	$ -	$ 14,253	$ 14,253	0.07%
U.S. Treasury Securities	AA+	-	3,872,770	3,872,770	18.83%
U.S. Government Bonds	AAA	-	9,458,122	9,458,122	45.99%
CSAFE - Investments	AAAm	516,682	6,705,408	7,222,090	35.11%
		$ 516,682	$ 20,050,553	$ 20,567,235	100.00%

Fair Value Measurement and Application

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

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

Investments	Level 1	Level 2	Level 3	Total
Money Market Funds	$ 14,253	-	-	$ 14,253
U.S. Treasury Securities	-	3,872,770	-	3,872,770
U.S. Government Bonds	-	9,458,122	-	9,458,122
Investments measured at amortized cost - CSAFE	-	-	-	7,222,090
Total	$ 14,253	$13,330,892	$ -	$20,567,235

2. Cash and Investments (continued)

CSAFE

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

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3. Capital Assets

Governmental capital assets activity for the year ended December 31, 2023, was as follows:

	Balance at December 31, 2022	Additions	Retirements/ Transfers	Balance at December 31, 2023
Capital assets, not being depreciated				
Land	$ 1,861,222	$ 486,573		$ 2,347,795
Construction in progress	1,456,918	454,713	(660,074)	1,251,557
Total capital assets, not being depreciated	3,318,140	941,286	(660,074)	3,599,352
Capital assets, being depreciated				
Infrastructure	97,290,889	4,340,264	-	101,631,153
Buildings and improvements	4,741,538	4,053,330	-	8,794,868
Vehicles and equipment	1,320,226	106,141	-	1,426,367
Right-to-use assets	509,232	28,175	-	537,407
Total capital assets, being depreciated	103,861,885	8,527,910	-	112,389,795
Less accumulated depreciation/amortization for:				
Infrastructure	(38,049,336)	(3,588,249)	-	(41,637,585)
Buildings and improvements	(2,551,018)	(235,063)	-	(2,786,081)
Vehicles and equipment	(1,127,850)	(56,323)	-	(1,184,173)
Right-to-use assets	(80,532)	(83,902)	-	(164,434)
Accumulated depreciation/amortization	(41,808,735)	(3,963,537)	-	(45,772,273)
Total capital assets, being depreciated/amortized, net	62,053,150	4,564,373	-	66,617,522
Total capital assets, net	$ 65,371,290	$ 5,505,659	$ (660,074)	$ 70,216,874

Depreciation/Amortization expense for the year ended December 31, 2023 was charged to the following programs of the City:

General Government	$ 93,008
Public Works	3,621,493
Parks and Recreation	249,036
Total	$ 3,963,537

3. Capital Assets (continued)

Business-Type activity for the year ended December 31, 2023, was as follows:

	Balance at December 31, 2022	Additions	Retirements/ Transfers	Balance at December 31, 2023
Capital assets, not being depreciated				
Improvements	$ -	$ 82,323	$ -	$ 82,323
Total capital assets, not being depreciated	-	82,323	-	82,323
Total capital assets, net	$ -	$ 82,323	$ -	$ 82,323

4. Long-term Liabilities

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

	Balance at December 31, 2022	Additions	Reductions	Balance at December 31, 2023	Amounts Due Within One Year
Right-to-use lease liabilities	$ 482,323	$ 28,174	$ (84,564)	$ 425,933	$ 97,027
Compensated absences	48,903	190	-	49,093	-
Total Long-Term Debt	$ 531,226	$ 28,364	$ (84,564)	$ 475,026	$ 97,027

Right-to-use lease liability

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

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

	Interest rate	Commencement	Term in	Balance
Leased real estate	1.55%	$ 509,232	6.1	$ 425,933

The value of the right-to-use asset as of December 31, 2022 was $428,700, including accumulated amortization of $80,532.

The future minimum lease payments under non-cancelable leases as of December 31, 2023 are as follows:

4. Long-term Liabilities (continued)

	Financing Lease
2024	$ 102,814
2025	105,872
2026	109,049
2027	112,316
2028	9,497
Less: imputed interest	(13,615)
Total future minimum lease payments	$ 425,933
Lease commitments - current portion	$ 97,027
Lease commitments - Long-term portion	328,907
Total	$ 425,933

5. Retirement Commitments

Defined Benefit Pension Plan

Plan Description

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

Benefits provided as of December 31, 2022

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

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

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

5. Retirement Commitments (continued)

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

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

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

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

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

Contributions provisions as of December 31, 2023

Eligible employees of The City and the State are required to contribute to the LGDTF at a rate set by Colorado statute. The contribution requirements for the LGDTF are established under C.R.S. § 24-51-401, *et seq.* and § 24-51-413. Employee contribution rates for the period of January 1, 2022, through December 31, 2022, are summarized in the table below:

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

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

5. Retirement Commitments (continued)

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

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

Employer contributions are recognized by the LGDTF in the period in which the compensation becomes payable to the member and The City is statutorily committed to pay the contributions to the LGDTF. Employer contributions recognized by the LGDTF from the City were $182,906 for the year ended December 31, 2023.

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

At December 31, 2023, the City reported a liability of $1,215,553 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2021, using standard roll-forward techniques to determine the liability as of December 31, 2022. The City's proportion of the net pension liability was based on a projection of the City's long-term share of contributions to the pension plan relative to the projected contributions of all participating entities, actuarially determined. At December 31, 2022, the City's proportion was approximately 0.12 percent.

For the year ended December 31, 2023, the City recognized pension expense of $173,337. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

5. Retirement Commitments (continued)

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ -	$ 6,060
Net difference between projected and actual earnings on pension plan investments	496,247	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	6,618	-
Contributions subsequent to the measurement date	182,906	-
Total	$ 685,771	$ 6,060

The $182,906 of deferred outflows of resources resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction (increase) of the net pension liability (asset) in the year ending December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Year Ending December 31,	
2024	$ (47,731)
2025	72,119
2026	181,650
2027	290,767
Total	$ 496,805

Actuarial Assumptions

The total pension asset in the December 31, 2021 actuarial valuation was determined using the following actuarial cost method, actuarial assumptions and other inputs:

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5. Retirement Commitments (continued)

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

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

The total pension liability as of December 31, 2022, measurement date, was adjusted to reflect the disaffiliation, as allowable under C.R.S. § 24-51-313, of Tri-County Health Department (Tri-County Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

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

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

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

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

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

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

5. Retirement Commitments (continued)

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

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

Disabled mortality assumptions for members were based upon the PubNS-2010 Disabled Retiree Table with generational projection using scale MP-2019.

The actuarial assumptions used in the December 31, 2021, valuation were based on the results of the 2020 experience analysis for the period January 1, 2016, through December 31, 2019, and were reviewed and adopted by the PERA Board at their November 20, 2020, meeting.

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

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

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

5. Retirement Commitments (continued)

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

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

Discount rate

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

- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employee contributions were assumed to be made at the member contribution rates in effect for each year, including the required adjustments resulting from the 2018 AAP assessments. Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law for each year, including the required adjustments resulting from the 2018 and 2020 AAP assessments. Employer contributions also include current and estimated future AED and SAED, until the actuarial value funding ratio reaches 103%, at which point the AED and SAED will each drop 0.50% every year until they are zero. Additionally, estimated employer contributions reflect reductions for the funding of the AIR and retiree health care benefits. For future plan members, employer contributions were further reduced by the estimated amount of total service costs for future plan members not financed by their member contributions.

5. Retirement Commitments (continued)

- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- The AIR balance was excluded from the initial FNP, as, per statute, AIR amounts cannot be used to pay benefits until transferred to either the retirement benefits reserve or the survivor benefits reserve, as appropriate. AIR transfers to the FNP position and the subsequent AIR benefit payments were estimated and included in the projections.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

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

	1% Decrease	Current Discount	1% Increase (8.25%)
Proportionate share of the net pension liability (asset)	$2,040,608	$1,215,553	$524,846

Pension plan fiduciary net position

Detailed information about the LGDTF's fiduciary net position is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

5. Retirement Commitments (continued)

Defined Contribution Pension Plan

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

Funding Policy
The Plan is funded by voluntary member contributions up to the maximum limits set by the Internal Revenue Service, as established under Title 24, Article 51, Section 1402 of the CRS, as amended. In addition, the City has agreed to match employee contributions up to 5% of covered salaries. Forfeitures are used to pay expenses of the PERA defined contribution plan in accordance with PERA Rule 16.80 as adopted by the PERA Board of Trustees in accordance with Title 24, Article 51, Section 204 of the Colorado Revised Statutes. For the year ended December 31, 2023, the City contributed $22,637 and Plan members contributed $20,374 to the Plan.

6. Post-Employment Benefits

Summary of Significant Accounting Policies OPEB

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

General Information about the OPEB Plan

Eligible employees of the City are provided with OPEB through the HCTF—a cost-sharing multiple-employer defined benefit OPEB plan administered by PERA. The HCTF is established under Title 24, Article 51, Part 12 of the Colorado Revised Statutes (C.R.S.), as amended. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. Title 24, Article 51, Part 12 of the C.R.S., as amended, sets forth a

6. Post-Employment Benefits (continued)

framework that grants authority to the PERA Board to contract, self-insure, and authorize disbursements necessary in order to carry out the purposes of the PERACare program, including the administration of the premium subsidies. Colorado State law provisions may be amended from time to time by the Colorado General Assembly. PERA issues a publicly available annual comprehensive financial report that can be obtained at www.copera.org/investments/pera-financial-reports.

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

C.R.S. § 24-51-1202 et seq. specifies the eligibility for enrollment in the health care plans offered by PERA and the amount of the premium subsidy. The law governing a benefit recipient's eligibility for the subsidy and the amount of the subsidy differs slightly depending under which benefit structure the benefits are calculated. All benefit recipients under the PERA benefit structure are eligible for a premium subsidy, if enrolled in a health care plan under PERACare. Enrollment in the PERACare is voluntary and is available to benefit recipients and their eligible dependents, certain surviving spouses, and divorced spouses and guardians, among others. Eligible benefit recipients may enroll into the program upon retirement, upon the occurrence of certain life events, or on an annual basis during an open enrollment period.

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

For benefit recipients who have not participated in Social Security and who are not otherwise eligible for premium-free Medicare Part A for hospital-related services, C.R.S. § 24-51-1206(4) provides an additional subsidy. According to the statute, PERA cannot charge premiums to benefit recipients without Medicare Part A that are greater than premiums charged to benefit recipients with Part A for the same plan option, coverage level, and service credit.

6. Post-Employment Benefits (continued)

Currently, for each individual PERACare enrollee, the total premium for Medicare coverage is determined assuming plan participants have both Medicare Part A and Part B and the difference in premium cost is paid by the HCTF or the DPS HCTF on behalf of benefit recipients not covered by Medicare Part A.

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

Employer contributions are recognized by the HCTF in the period in which the compensation becomes payable to the member and the City is statutorily committed to pay the contributions. Employer contributions recognized by the HCTF from the City were $12,778 for the year ended December 31, 2023.

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

At December 31, 2023, the City reported a liability of $76,356 for its proportionate share of the net OPEB liability. The net OPEB liability for the HCTF was measured as of December 31, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2021. Standard update procedures were used to roll-forward the total OPEB liability to December 31, 2022.

The City's proportion of the net OPEB liability was based on the City's contributions to the HCTF for the calendar year 2022 relative to the total contributions of participating employers to the HCTF. At December 31, 2022, the City's proportion was 0.009 percent.

For the year ended December 31, 2023, the City recognized OPEB expense of $8,910. At December 31, 2023, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

6. Post-Employment Benefits (continued)

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	$ 10	$ 18,465
Changes of assumptions or other inputs	1,227	8,427
Net difference between projected and actual earnings on pension plan investments	4,664	-
Changes in proportion and differences between contributions recognized and proportionate share of contributions	25,302	-
Contributions subsequent to the measurement date	12,778	-
Total	$ 43,981	$ 26,892

$12,778 reported as deferred outflows of resources related to OPEB, resulting from contributions subsequent to the measurement date, will be recognized as a reduction (increase) of the net OPEB liability (asset) in the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ending December 31,	
2024	$ 1,673
2025	1,353
2026	1,993
2027	1,843
2028	(2,077)
Thereafter	(475)
Total	$ 4,310

Actuarial assumptions

The December 31, 2021, valuation used the following actuarial cost method, actuarial assumptions and other inputs:

Actuarial cost method	Entry age
Price inflation	2.30%
Real wage growth	0.70%
Wage inflation	3.00%
Salary increases, including wage inflation	3.20% - 11.30%
Long-term investment rate of return, net of OPEB plan investment expenses, including price inflation	7.25%

6. Post-Employment Benefits (continued)

Discount rate	7.25%
Health care cost trend rates	
PERA benefit structure:	
Service-based premium subsidy	0.00%
PERACare Medicare plans	6.50% in 2022 gradually decreasing to 4.50% in 2030
Medicare Part A premiums	3.75% in 2022, gradually increasing to 4.50% in 2029

The total OPEB liabiity for the HCTF, as of the December 31, 2022, measurement date, was adjustedto reflect the disaffiliation, allowable under C.R.S. § 24-51-313, of Tri-County Health Department (TriCounty Health), effective December 31, 2022. As of the close of the 2022 fiscal year, no disaffiliation payment associated with Tri-County Health was received, and therefore no disaffiliation dollars were reflected in the FNP as of the December 31, 2022, measurement date.

Beginning January 1, 2022, the per capita health care costs are developed by plan option; based on 2022 premium rates for the UnitedHealthcare Medicare Advantage Prescription Drug (MAPD) PPO plan #1, the UnitedHealthcare MAPD PPO plan #2, and the Kaiser Permanente MAPD HMO plan. Actuarial morbidity factors are then applied to estimate individual retiree and spouse costs by age, gender, and health care cost trend. This approach applies for all members and is adjusted accordingly for those not eligible for premium-free Medicare Part A for the PERA benefit structure.

Age-Related Morbidity Assumptions

Participant Age	Annual Increase (Male)	Annual Increase (Female)
65-69	3.0%	1.5%
70	2.9%	1.6%
71	1.6%	1.4%
72	1.4%	1.5%
73	1.5%	1.6%
74	1.5%	1.5%
75	1.5%	1.4%
76	1.5%	1.5%
77	1.5%	1.5%

6. Post-Employment Benefits (continued)

Sample Age	MAPD PPO #1 with Medicare Part A		MAPD PPO #2 with Medicare Part A		MAPD HMO (Kaiser) with Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$1,704	$1,450	$583	$496	$1,923	$1,634
70	$1,976	$1,561	$676	$534	$2,229	$1,761
75	$2,128	$1,681	$728	$575	$2,401	$1,896

Sample Age	MAPD PPO #1 without Medicare Part A		MAPD PPO #2 without Medicare Part A		MAPD HMO (Kaiser) without Medicare Part A	
	Retiree/Spouse		Retiree/Spouse		Retiree/Spouse	
	Male	Female	Male	Female	Male	Female
65	$6,514	$5,542	$4,227	$3,596	$6,752	$5,739
70	$7,553	$5,966	$4,901	$3,872	$7,826	$6,185
75	$8,134	$6,425	$5,278	$4,169	$8,433	$6,657

The 2022 Medicare Part A premium is $499 (actual dollars) per month.

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

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

Health care cost trend rates for the PERA benefit structure are based on published annual health care inflation surveys in conjunction with actual plan experience (if credible), building block models and industry methods developed by health plan actuaries and administrators. In addition, projected trends for the Federal Hospital Insurance Trust Fund (Medicare Part A premiums) provided by the Centers for Medicare & Medicaid Services are referenced in the development of these rates. Effective December 31, 2021, the health care cost trend rates for Medicare Part A premiums were revised to reflect the current expectation of future increases in rates of inflation applicable to Medicare Part A premiums.

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

6. Post-Employment Benefits (continued)

Year	PERACare Medicare Plans	Medicare Part A Premiums
2022	6.50%	3.75%
2023	6.25%	4.00%
2024	6.00%	4.00%
2025	5.75%	4.00%
2026	5.50%	4.25%
2027	5.25%	4.25%
2028	5.00%	4.25%
2029	4.75%	4.50%
2030+	4.50%	4.50%

Mortality assumptions used in the December 31, 2021 valuation for determination of the total pension liability for each of the Division Trust Funds as shown below, reflect generational mortality and were applied, as applicable, in the determination of the TOL for the HCTF, but developed on a headcount-weighted basis. Affiliated employers of the State, School, Local Government and Judicial Divisions participate in the HCTF.

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

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

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

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

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

The mortality tables described above are generational mortality tables developed on a head-count weighted basis.

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

6. Post-Employment Benefits (continued)

- Per capita health care costs in effect as of the December 31, 2021, valuation date for those PERACare enrollees under the PERA benefit structure who are expected to be age 65 and older and are not eligible for premium-free Medicare Part A benefits have been updated to reflect costs for the 2022 plan year.

- The December 31, 2021, valuation utilizes premium information as of January 1, 2022, as the initial per capita health care cost. As of that date, PERACare health benefits administration is performed by UnitedHealthcare. In that transition, the costs for the Medicare Advantage Option #2 decreased to a level that is lower than the maximum possible service-related subsidy as described in the plan provisions.

- The health care cost trend rates applicable to health care premiums were revised to reflect the then current expectation of future increases in those premiums. Medicare Part A premiums continued with the prior valuation trend pattern.

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

Effective for the December 31, 2022, measurement date, the timing of the retirement decrement was adjusted to middle-of-year within the valuation programming used to determine the TOL, reflecting a recommendation from the 2022 actuarial audit report, dated October 14, 2022, summarizing the results of the actuarial audit performed on the December 31, 2021, actuarial valuation.

The actuarial assumptions used in the December 31, 2021, valuations were based on the 2020 experience analysis, dated October 28, 2020, and November 4, 2020, for the period January 1, 2016, through December 31, 2019. Revised economic and demographic assumptions were adopted by PERA's Board on November 20, 2020.

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

6. Post-Employment Benefits (continued)

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

As of the most recent reaffirmation of the long-term rate of return, the target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the table as follows:

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

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

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

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Initial PERACare Medicare trend rate	5.25%	6.25%	7.25%
Ultimate PERACare Medicare trend rate	3.50%	4.50%	5.50%
Initial Medicare Part A trend rate	2.00%	4.00%	5.00%
Ultimate Medicare Part A trend rate	3.50%	4.50%	5.50%
Net OPEB Liability	$ 74,195	$ 76,356	$ 78,707

6. Post-Employment Benefits (continued)

Discount rate.

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

- Updated health care cost trend rates for Medicare Part A premiums as of the December 31, 2022, measurement date.
- Total covered payroll for the initial projection year consists of the covered payroll of the active membership present on the valuation date and the covered payroll of future plan members assumed to be hired during the year. In subsequent projection years, total covered payroll was assumed to increase annually at a rate of 3.00 percent.
- Employer contributions were assumed to be made at rates equal to the fixed statutory rates specified in law and effective as of the measurement date.
- Employer contributions and the amount of total service costs for future plan members were based upon a process to estimate future actuarially determined contributions assuming an analogous future plan member growth rate.
- Estimated transfers of dollars into the Trust Fund representing a portion of purchase service agreements intended to cover the costs associated with OPEB benefits.
- Benefit payments and contributions were assumed to be made at the middle of the year.

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

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

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

6. Post-Employment Benefits (continued)

	1% Decrease (6.25%)	Current Discount Rate (7.25%)	1% Increase (8.25%)
Proportionate share of the net OPEB liability	$88,519	$76,356	$65,952

OPEB plan fiduciary net position. Detailed information about the HCTF's fiduciary net position is available in PERA's Annual Report which can be obtained at www.copera.org/investments/pera-financial-reports.

7. Commitments and Contingencies

The Canyons Annexation and Development Agreement

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

As part of the agreement, the City agreed to grant future sales and use tax credits to retailers and building permit applicants within the development. The developer will collect public improvement fees in lieu of the sales and use taxes to finance the construction of infrastructure in the development. $503.411 in use tax credits were paid in 2023.

Claims and Judgements

The City participates in state and local programs that are fully or partially funded by grants received from other governmental entities. Expenses financed by grants are subject to audit by the appropriate grantor government. If expenses are disallowed due to noncompliance with grant program regulations, the City may be required to reimburse the grantor government. At December 31, 2023, the City believes that any subsequent audits will not have a material effect on the overall financial position of the City.

Tabor Amendment

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

7. Commitments and Contingencies (continued)

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

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

The City has established an emergency reserve, representing 3% of qualifying expenditures, as required by the Amendment. At December 31, 2023, the emergency reserve of $587,184 was reported as restricted fund balance in the General Fund.

8. Transfer of Operations

Under an intergovernmental agreement between the City and Castle Pines North Metropolitan District ("the District"), dated January 10, 2023, the City shall own, operate, and maintain the Stormwater System and the Stormwater Easement necessary and sufficient to provide stormwater services to all persons and properties currently served by the District at a level equal or better than that currently provided by the District.

Per the agreement, the District transferred all funds remaining in its Enterprise Fund in the amount of $1,375,963 to the City. This amount is reflected as a Special Item in the both the Proprietary Fund and Government-Wide Statement of Activities.

On March 28, 2023, the City entered into an additional agreement with the District to transition responsibility for parks, recreation, trails, and open space, including funding, from the District to the City.

Per this agreement, the District transferred all Budgeted Park Improvement Funds, Conservation Trust Funds, and all remaining funds in the District's General Fund attributable to the District's Parks Operations Mill Levy. These related amounts totaling $7,001,225 are reflected as a Special Item in the Government-Wide Statement of Activities. $6,477,963 of this amount is shown as a Special Item in the Parks and Recreation North Fund, and $523,262 is shown as a Special Item in the Conservation Trust Fund.

8. Transfer of Operations (continued)

According to the agreements, the District shall convey all real property, facilities, fixtures, equipment, and interests therein related to the Stormwater System and Recreation Properties that are owned by the District, including, but not limited to, all easements for stormwater infrastructure and other easements relating to and/or necessary for the provision of stormwater services for consideration of $10 per each agreement. A complete list of all such real property interests, facilities and fixtures is to be provided to the City. This list is currently under completion and a bill of sale to the City is expected in 2024.

City of Castle Pines, Colorado

Required Supplementary Information

City of Castle Pines, Colorado

Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual General Fund For the Year Ended December 31, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ 11,068,600	$ 11,068,600	$ 9,110,027	$ (1,958,573)
Franchise fees	779,600	779,600	692,632	(86,968)
Licenses and permits	237,000	237,000	241,781	4,781
Intergovernmental	1,825,800	1,825,800	1,593,211	(232,589)
Charges for services	2,480,000	2,480,000	2,338,926	(141,074)
Fines and forfeitures	62,900	62,900	207,046	144,146
Investment income (expense)	504,800	504,800	756,698	251,898
Grants/Contributions	-	800,000	-	(800,000)
Other income	-	-	252,030	252,030
Total Revenues	16,958,700	17,758,700	15,192,351	(2,566,349)
Expenditures				
City Council	157,900	157,900	160,727	(2,827)
City Manager	297,100	297,100	311,420	(14,320)
Inter/Non-Departamental	415,700	415,700	699,783	(284,083)
Legal services	230,000	230,000	202,287	27,713
Communications	235,000	235,000	243,588	(8,588)
Finance/Human Resources	394,300	394,300	395,920	(1,620)
City Clerk	295,100	295,100	285,436	9,664
Municipal Court	41,500	41,500	44,564	(3,064)
Public safety	1,287,400	1,287,400	1,385,023	(97,623)
Public works	2,639,500	2,639,500	1,907,615	731,885
Community development	2,247,900	2,247,900	1,730,155	517,745
Economic development	1,537,000	1,537,000	729,613	807,387
City events	276,600	276,600	422,658	(146,058)
Total Expenditures	10,055,000	10,055,000	8,518,789	1,536,211
Excess Of Revenues Over (Under) Expenditures	6,903,700	7,703,700	6,673,562	(1,030,138)
Other Financial Sources (Uses)				
Operating Transfers (Out)	(7,026,900)	(8,401,900)	(8,213,042)	188,858
Net Change in Fund Balance	(123,200)	(698,200)	(1,539,480)	(841,280)
Fund Balance, Beginning of Year	2,783,158	3,358,977	2,751,379	(607,598)
Fund Balance, End of Year	$ 2,659,958	$ 2,660,777	$ 1,211,899	$ (1,448,878)

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

City of Castle Pines, Colorado

Parks and Recreation Fund
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Park Fees	$ 22,100	$ 22,100	$ 49,429	$ 27,329
Contributions	-	300,000	300,000	-
Total Revenues	22,100	322,100	349,429	27,329
Expenditures				
Parks	699,000	699,000	606,353	92,647
Capital Outlay	50,000	1,353,800	1,184,644	169,156
Total Expenditures	749,000	2,052,800	1,790,997	261,803
Excess Of Revenues Over (Under) Expenditures	(726,900)	(1,730,700)	(1,441,568)	289,132
Other Financial Sources				
Operating Transfers In	726,900	1,276,900	954,996	(321,904)
Net Change in Fund Balance	-	(453,800)	(486,572)	(32,772)
Fund Balance, Beginning of Year	178,152	610,152	610,152	-
Fund Balance, End of Year	$ 178,152	$ 156,352	$ 123,580	$ (32,772)

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

City of Castle Pines, Colorado
Parks and Recreation North Fund
Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	$ -	$ 1,974,504	$ 1,974,504
Investment Income	-	189,056	189,056
Other Revenue	6,478,000	6,477,963	(37)
Total Revenue	6,478,000	8,641,523	2,163,523
Expenditures			
Parks	1,415,100	1,640,334	(225,234)
Capital Outlay	571,400	37,641	533,759
Total Expenditures	1,986,500	1,677,975	308,525
Excess Of Revenues Over (Under) Expenditures	4,491,500	6,963,548	2,472,048
Other Financial Sources (Uses)			
Operating Transfers (Out)	(362,800)	(362,800)	-
Total Transfers	(362,800)	(362,800)	-
Net Change in Fund Balance	4,128,700	6,600,748	2,472,048
Fund Balance, Beginning of Year	-	-	-
Fund Balance, End of Year	$ 4,128,700	$ 6,600,748	$ 2,472,048

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

City of Castle Pines, Colorado
Retirement Plan Supplementary Information
For the Year Ended December 31, 2023

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

Colorado PERA - Pension

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

Colorado PERA - OPEB

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

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

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

Schedule of Employer Contributions (PERA and OPEB)

Year Ending	Statutorily Required Contributions	Actual Employer Contributions	Contribution Excess/(Deficiency)	Actual Covered Member Payroll	Contributions as a Percentage of Covered Payroll
12/31/2014	48,308	48,308	-	$ 352,618	13.7%
12/31/2015	51,724	51,724	-	$ 377,547	13.7%
12/31/2016	54,998	54,998	-	$ 401,445	13.7%
12/31/2017	55,489	55,489	-	$ 404,528	13.7%
12/31/2018	64,635	64,635	-	$ 471,789	13.7%
12/31/2019	85,121	85,121	-	$ 621,321	13.7%
12/31/2020	109,514	109,514	-	$ 778,311	14.1%
12/31/2021	129,674	129,674	-	$ 894,316	14.5%
12/31/2022	143,652	143,652	-	$ 942,991	15.2%
12/31/2023	195,685	195,685	-	$ 1,479,151	13.2%

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

City of Castle Pines, Colorado

Other Supplementary Information

City of Castle Pines, Colorado

Community Capital Investment Fund
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Total Revenues	$ -	$ -	$ -
Expenditures			
Total Expenditures	-	-	-
Excess Of Revenues Over (Under) Expenditures	-	-	-
Other Financial Sources (Uses)			
Operating Transfers In	-	-	-
Total Transfers	-	-	-
Net Change in Fund Balance	-	-	-
Fund Balance, Beginning of Year	3,042,000	3,042,000	-
Fund Balance, End of Year	$ 3,042,000	$ 3,042,000	$ -

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

City of Castle Pines, Colorado

Capital Improvements Fund
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Contributions	$ 3,700,000	$ 1,846,700	$ 75,000	$ (1,771,700)
Grants	400,000	400,000	-	(400,000)
Total Revenues	4,100,000	$ 2,246,700	$ 75,000	$ (2,171,700)
Expenditures				
Professional services	-	-	510,758	(510,758)
Capital outlay	10,927,500	14,395,100	7,490,160	6,904,940
Total Expenditures	10,927,500	14,395,100	8,000,918	6,394,182
Excess Of Revenues Over (Under) Expenditures	(6,827,500)	(12,148,400)	(7,925,918)	4,222,482
Other Financial Sources (Uses)				
Operating Transfers In	6,400,000	7,837,800	7,837,800	-
Total Transfers	6,400,000	7,837,800	7,837,800	-
Net Change in Fund Balance	(427,500)	(4,310,600)	(88,118)	4,222,482
Fund Balance, Beginning of Year	1,017,122	5,962,494	5,962,494	-
Fund Balance, End of Year	$ 589,622	$ 1,651,894	$ 5,874,376	$ 4,222,482

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

City of Castle Pines, Colorado
Combining Balance Sheet
Other Governmental Funds
December 31, 2023

	Conservation Trust Fund	North Pine Vistas Metro Districts Nos. 1-3 O&M Fund	Totals
Assets			
Cash and cash equivalents	$ 751,182	$ -	$ 751,182
Accounts receivable	23,229	312,849	336,078
Due To/(From) Other Funds	-	(98,677)	(98,677)
Total assets	774,411	214,172	988,583
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	-	4,342	4,342
Total Liabilities	-	4,342	4,342
Fund Balances			
Restricted	774,411	209,830	984,241
Total Fund Balances	774,411	209,830	984,241
Total Liabilities and Fund Balances	$ 774,411	$ 214,172	$ 988,583

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

City of Castle Pines, Colorado

Other Governmental Funds
Combining Statement of Revenues, Expenditures
And Changes in Fund Balances
For the Year Ended December 31, 2023

	Conservation Trust Fund	North Pine Vistas Metro Districts Nos. 1-3 O&M Fund	Totals
Revenues			
Intergovernmental - property taxes	$ 86,356	312,849	$ 399,205
Investment income	52,949	-	52,949
Other	-	-	-
Total Revenues	139,305	312,849	452,154
Expenditures			
Operation and Maintenance	-	106,623	106,623
Total Expenditures	-	106,623	106,623
Transfers in (out):			
General Fund	33,046	-	33,046
Parks and Recreation	(250,000)	-	(250,000)
Total Transfers	(216,954)	-	(216,954)
Special item	523,262	-	523,262
Net changes in fund balances	445,613	206,226	651,839
Fund Balances			
Beginning of the year	328,798	3,604	332,402
End of the year	$ 774,411	$ 209,830	$ 984,241

City of Castle Pines, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	Budgeted Original	Budgeted Final	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental Revenue				
State Lottery Disbursement	$ 78,000	$ 78,000	$ 86,356	$ 8,356
Investment Income	-	-	52,949	52,949
Other Revenue	-	-	523,262	523,262
Total Revenues	78,000	78,000	662,567	584,567
Expenditures				
Total Expenditures	-	-	-	-
Excess Of Revenues Over (Under) Expenditures	78,000	78,000	662,567	584,567
Other Financial Sources (Uses)				
Operating Transfers In	-	-	33,046	33,046
Operating Transfers (Out)	(100,000)	(350,000)	(250,000)	100,000
Total Transfers	(100,000)	(350,000)	(216,954)	133,046
Net Change in Fund Balance	(22,000)	(272,000)	445,613	717,613
Fund Balance, Beginning of Year	75,226	325,226	328,798	3,572
Fund Balance, End of Year	$ 53,226	$ 53,226	$ 774,411	$ 721,185

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

City of Castle Pines, Colorado

North Pine Vistas Metro Districts Nos. 1-3 O&M Fund
Schedule of Revenues, Expenditures
and Change in Fund Balance—Budget and Actual
For the Year Ended December 31, 2023

	Budgeted			Variance with Final Budget
	Original	Final	Actual	Positive (Negative)
Revenues				
Intergovernmental Revenue	$ 231,600	$ 231,600	$ 312,849	$ 81,249
Total Revenues	231,600	231,600	312,849	81,249
Expenditures				
Operation and Maintenance	231,600	231,600	106,623	124,977
Total Expenditures	231,600	231,600	106,623	124,977
Excess Of Revenues Over (Under) Expenditures	-	-	206,226	206,226
Net Change in Fund Balance	-	-	206,226	206,226
Fund Balance, Beginning of Year	-	-	3,604	3,604
Fund Balance, End of Year	$ -	$ -	$ 209,830	$ 209,830

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

City of Castle Pines, Colorado
Enterprise Fund - Stormwater
Schedule of Revenues, Expenses
and Change in Fund Balance—Budget and Actual (Non-GAAP Basis)
For the Year Ended December 31, 2023

	Budgeted			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Management Fees	$ -	$ 550,400	$ 335,654	$ (214,746)
Investment Income	-	-	35,324	35,324
Total Revenues	-	550,400	370,978	(179,422)
Expenditures				
Stormwater	112,800	202,600	283,573	(80,973)
Capital Outlay	-	450,000	82,323	367,677
Total Expenditures	112,800	652,600	365,896	286,704
Excess Of Revenues Over (Under) Expenditures	(112,800)	(102,200)	5,082	107,282
Other Financial Sources				
Special item	-	1,375,900	1,375,963	63
Net Change in Fund Balance	(112,800)	1,273,700	1,381,045	107,345
Fund Balance, Beginning of Year	1,014,000	-	-	-
Fund Balance, End of Year	$ 901,200	$ 1,273,700	$ 1,381,045	$ 107,345

ADJUSTMENTS FROM BUDGETARY BASIS TO GAAP BASIS	
Capital outlay	82,323
CHANGE IN NET POSITION - GAAP BASIS	1,463,368
NET POSITION, BEGINNING OF YEAR	-
NET POSITION, END OF YEAR	$ 1,463,368

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

Form Approved
The public report burden for this information collection is estimated to average 380 hours annually. OMB No. 2125-0032

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO YEAR ENDING (mm/yy): 12/23
This Information From The Records Of: CITY OF CASTLE PINES	Prepared By: MIKE FARINA, FINANCE DIRECTOR

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

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

II. RECEIPTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Receipts from local sources:	
1. Local highway-user taxes	
a. Motor Fuel (from Item I.A.5.)	
b. Motor Vehicle (from Item I.B.5.)	
c. Total (a.+b.)	
2. General fund appropriations	$ 4,341,070.00
3. Other local imposts (from page 2)	$ 1,246,714.00
4. Miscellaneous local receipts (from page 2)	$ 587,661.00
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)	$ 6,175,445.00
B. Private Contributions	
C. Receipts from State government (from page 2)	$ 391,254.00
D. Receipts from Federal Government (from page 2)	$ -
E. Total receipts (A.7 + B + C + D)	$ 6,566,699.00

III. EXPENDITURES FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway expenditures:	
1. Capital outlay (from page 2)	$ 4,689,403.00
2. Maintenance:	$ 281,570.00
3. Road and street services:	
a. Traffic control operations	$ 32,101.00
b. Snow and ice removal	$ 622,437.00
c. Other	$ 39,471.00
d. Total (a. through c.)	$ 694,009.00
4. General administration & miscellaneous	$ 901,717.00
5. Highway law enforcement and safety	$ -
6. Total (1 through 5)	$ 6,566,699.00
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
2. Notes:	
a. Interest	
b. Redemption	
c. Total (a. + b.)	$ -
3. Total (1.c + 2.c)	$ -
C. Payments to State for highways	
D. Payments to toll facilities	
E. Total expenditures (A.6 + B.3 + C + D)	$ 6,566,699.00

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

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

V. LOCAL ROAD AND STREET FUND BALANCE (RECEIPTS AND DISBURSEMENTS ONLY)

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	$ -	$ 6,566,699.00	$ 6,566,699.00	$ -	$ -

Notes and Comments:

LOCAL HIGHWAY FINANCE REPORT	STATE: COLORADO
	YEAR ENDING (mm/yy): 12/23

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	$ 587,279.00	a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	$ 207,045.00
1. Sales Taxes	$ 548,225.00	c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	
4. Licenses		f. Charges for Services	$ 380,616.00
5. Specific Ownership &/or Other	$ 111,210.00	g. Other Misc. Receipts	
6. Total (1. through 5.)	$ 659,435.00	h. Other	$ -
c. Total (a. + b.)	$ 1,246,714.00	i. Total (a. through h.)	$ 587,661.00
(Carry forward to page 1)		*(Carry forward to page 1)*	

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		**D. Receipts from Federal Government**	
1. Highway-user taxes (from Item I.C.5.)	$ 346,579.00	1. FHWA (from Item I.D.5.)	
2. State general funds		2. Other Federal agencies:	
3. Other State funds:		a. Forest Service	
a. State bond proceeds		b. FEMA	
b. Project Match		c. HUD	
c. Motor Vehicle Registrations	$ 44,675.00	d. Federal Transit Administration	
d. DOLA Grant		e. U.S. Corps of Engineers	
e. Other		f. Other Federal	$ -
f. Total (a. through e.)	$ 44,675.00	g. Total (a. through f.)	$ -
4. Total (1. + 2. + 3.f)	$ 391,254.00	3. Total (1. + 2.g)	$ -
(Carry forward to page 1)		*(Carry forward to page 1)*	

III. EXPENDITURES FOR ROAD AND STREET PURPOSES - DETAIL

	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		$ -	$ -
b. Engineering Costs		$ 979,651.00	$ 979,651.00
c. Construction:			
(1). New Facilities		$ -	$ -
(2). Capacity Improvements		$ -	$ -
(3). System Preservation		$ 3,460,360.00	$ 3,460,360.00
(4). System Enhancement And Operation		$ 249,392.00	$ 249,392.00
(5). Total Construction (1)+(2)+(3)+(4)	$ -	$ 3,709,752.00	$ 3,709,752.00
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.4)	$ -	$ 4,689,403.00	$ 4,689,403.00
(Carry forward to page 1)			

Notes and Comments:

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