

2016

Pitkin County

Colorado



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended
December 31, 2016

PITKIN
COUNTY



FINANCE

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Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2016

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INTRODUCTORY SECTION



FINANCE

LETTER OF TRANSMITTAL

July 19, 2017

To the Citizens and Board of County Commissioners of Pitkin County, Colorado:

State law requires Pitkin County (County) to publish a complete set of financial statements prepared in accordance with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted accounting standards by a firm of licensed certified public accountants.

Pursuant to those requirements we hereby present the Comprehensive Annual Financial Report (CAFR) of Pitkin County, Colorado for the fiscal year ended December 31, 2016. This report was prepared by the Finance Department of Pitkin County. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the County. We believe the data are accurate in all material respects and presented in a manner designed to set forth fairly the financial activity of the various funds. All disclosures necessary for the reader to gain the maximum understanding of the County's financial affairs have been included.

Management of the County has established a comprehensive framework of internal control to provide a reasonable basis asserting the financial statements are fairly presented. The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management.

This report is the result of the cooperative effort between the Finance Department and McMahan and Associates, L.L.C., our independent auditors. The independent auditor's report has been included in the financial section of this report on pages A1, A2 and A3. In their opinion, the financial statements were presented fairly in all material respects.

Pitkin County is also required to undergo an annual single audit in conformity with the provisions of the Federal Single Audit Act of 1996 and the U.S. Office of Management and Budget's Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Information related to this single audit, including the schedule of expenditures of federal awards, the independent auditor's reports on the internal control and compliance with applicable laws, regulations, contracts, and grants is included in the single audit section located after the Statistical Section.

GAAP requires management provide a narrative introduction, overview, and an analysis to accompany the basic financial statements. This narrative is in the form of the Management's Discussion and Analysis (MD&A) and can be found immediately following the report of the independent auditors. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

PROFILE OF PITKIN COUNTY

Location and Demographics

Pitkin County, formed in 1881, is located approximately 210 miles west of Denver and 120 miles east of Grand Junction in the Colorado Rocky Mountains. The County encompasses 973 square miles, of which approximately 81% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is 17,845 in July 2015, the latest date for which data is available. The County seat is Aspen.

Operating Structure

Incorporated February 23, 1881, the County is a quasi-municipal corporation and political subdivision of the State. The County exercises and provides all mandatory county powers and functions as provided by law and has all rights and powers delegated under the constitution and laws of the State for exercise by counties, particularly Title 30, Colorado Revised Statutes, as amended. In addition, the County has adopted the Pitkin County Home Rule Charter, pursuant to Article XIV, Section 16 of the Colorado Constitution and the laws of the State. The County charter became effective on July 1, 1978, following an approving election, and establishes the organization and structure of County government.

The governing body of the County is the Board of County Commissioners (BOCC). The County Charter provides that the Board shall consist of five members who are qualified electors and have resided within the County for not less than one year prior to election. Commissioners reside in separate districts but are elected at large to serve staggered four-year terms. Commissioners may serve only three consecutive terms. The other elected County officials are the Assessor, Clerk and Recorder, and Sheriff.

All powers, duties, and functions of the County are vested in the BOCC, which may delegate all of such responsibilities except the legislative function. In addition to having the power to levy taxes, the authority to represent the County, the responsibility for the care of County property, and the management of its affairs, the Board has the exclusive responsibility and power to adopt the annual budget for operation of County government, including all offices, boards, commissions, and other spending agencies funded in whole or in part by County appropriations. The BOCC is also responsible for hiring the County's manager and attorney. The County manager is responsible for carrying out the policies and ordinances of the BOCC, overseeing the day-to-day operations of the County and appointing the department heads.

Services

Pitkin County provides the full range of services contemplated by State statute including, but not limited to, assessment and property tax administration; recording of vital documents and automobile registration; sheriff patrol and jail administration; ambulance operations; court facilities; land use planning, zoning and building inspections; road maintenance and construction; welfare and public health services; a solid waste landfill disposal facility; airport operations; television relay and translator facilities; open space and trails; and environmental health protection.

To promote greater efficiency, the City of Aspen (City) and Pitkin County provide several services through joint departments and agencies. These include dispatch communications, housing operations and the animal shelter. The accompanying financial statements include the County's proportionate share of the joint departments.

Component Units

This report includes all activities for which the BOCC is accountable, financially or by State statute, to the citizens of Pitkin County. All applicable funds, departments and offices are included in these financial statements as part of the “primary government” of Pitkin County. Component units are legally separate entities for which the primary government is financially accountable. Blended component entities are, in substance, part of the primary government’s operations and are included as part of the primary government. Accordingly, two road improvement districts and the Aspen Ambulance District are reported as special revenue funds of the primary government. Also included as a blended fiduciary component entity is the Pitkin County Public Employees Retirement Plan; which is reported as a pension trust fund. The Pitkin County Library District is reported as a discretely presented component unit. This component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the primary government and to differentiate its financial position and changes in financial position from those of the primary government.

Budget

The County is legally required to adopt annual budgets for all governmental and proprietary funds. The annual budget serves as the foundation for the County’s financial planning and control and is approved by the BOCC, as are supplemental appropriations throughout the year. The objective of budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the BOCC. Per State statute, expenditures may not legally exceed appropriations at the fund or spending agency level. Budget appropriations lapse at the end of each year.

ECONOMIC CONDITION OF PITKIN COUNTY

Local Economy

Recreation, tourism, real estate and construction dominate the local economic activity of the County, including the three incorporated municipalities, Aspen, Snowmass Village, and Basalt, located therein. The County’s tourist industry is among the largest economic drivers for the County and is among the largest and least seasonal of any Colorado county with substantial ski resort facilities.

Sales tax revenue, a good measure of the health of the tourism industry, has increased steadily over the last seven years, rebounding from its low point in 2009 during the great recession. Average increases during this seven-year period were 6.2%, with the slowest rate occurring in 2012 and the highest rate in 2014. 2016 sales tax revenue increased 3.6% over 2015. Receipt of the revenue is spread consistently throughout the year with the six winter months of December through May accounting for 59% of the annual total, while the months of June through November account for 41% of the annual total. The County estimates spending by area residents and second homeowners accounts for approximately 38% of total sales tax collections.

Building permit valuations have increased steadily since the recession though activity dropped slightly in 2015. 2016 saw strong growth of 24% from 2015 and up 137% over 2011.

The number of real estate sales has increased overall from 2011 to 2016 by 11%, but dropped 23% in 2016 over 2015. Similarly, the valuation of sales increased 16% since 2011 but declined 32% in the last year.

In Colorado property valuations are assessed every other year. 2016 was a reassessment year and valuations increased approximately 15%.

The Aspen - Pitkin County airport is the third busiest commercial airport in the State and has seen a 5.4% increase in enplanements in 2016 over 2015. This growth rate is consistent with previous years. Fuel flowage volumes have increased 12.7% in the same period.

Overall, the County has enjoyed strong sustained growth since 2011, emerging from the recession more quickly than others. Looking forward these trends are generally expected to continue. County population is forecast to grow approximately 17% over the next decade. The tourism industry is expected to continue to grow as well, with increased activities planned for Snowmass Mountain and rising visitation to the Maroon Bells, a popular tourist attraction. Furthermore, the tourist seasons are becoming longer and 'shoulder' seasons shorter.

The speculative residential and commercial real estate investment market remains strong and the outlook for the S&P Global Luxury Index, a good indicator of performance for the County economy, is positive. In particular, strong indicators for assessed values and sales tax growth exist in Snowmass Village, where one million square feet of commercial and residential space will be developed in the next 5 to 7 years.

However, after 7-8 years of sustained growth, there is a possibility of a market correction. Our economic vitality is linked to a strong equities and investment market and the health of both national and international economies. A weakening economy in Brazil, Argentina, Australia, or Russia can bring a drop in international tourism.

Long-term Financial Planning

As mentioned previously the annual budget serves as the foundation for the County's financial planning and, as part of this process the County annually updates a five-year plan including review of a ten-year capital replacement schedule. In balancing its budget, the BOCC has adopted the following funding priority order: (1) debt service, (2) basic operations, (3) capital replacement, and (4) capital and service improvements. The County also maintains a minimum fund balance of \$4.96 million (including the statutory reserve) to provide a working capital reserve.

Relevant Financial Policies

Pitkin County has a comprehensive set of financial policies. In 2016, there were no changes to policies that would directly affect the County's financial or budget situation.

Major Initiatives

In 2016, Pitkin County continued to focus on the strategic priorities identified by the Board of County Commissioners and organized within the core focus areas of Flourishing Natural and Built Environment; Livable and Supportive Community; and Prosperous Economy. Highlights included:

- Investment in facilities including completion of the Library addition and remodel; design and financing for the remodel of the County administration building and construction of a new Sheriff's Office in the County seat of Aspen; and the purchase of a building in Basalt for temporary relocation needs and to serve as the future home of Mountain Family Health Center.
- Investment in improved county-wide broadband infrastructure comprising the completion of middle-mile microwave network design; construction of Williams and Loge Mountain sites; and the receipt of a Colorado Department of Local Affairs (DOLA) grant of \$890,000 to accelerate construction of the remaining middle-mile sites in 2017.
- Improvements in the use of renewable energy and energy conservation with the purchase of 98.2 kW of solar from the Clean Energy Collective; approval of a 103kw public works solar

installation; reducing energy consumption by 70% with the design of new facilities; and the purchase of hybrid and all-electric vehicles for the County fleet.

- Other new and ongoing successful initiatives include reorganization and restructure of the finance, airport, and open space and trails departments and the creation of a new public health department; partnership with CDOT and Town of Basalt for construction of the Basalt pedestrian underpass; and construction of a whitewater park on the Roaring Fork River as part of the County's Healthy Rivers and Streams program.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pitkin County, Colorado, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2015. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Pitkin County, Colorado has received a Certificate of Achievement for the last thirty-four consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA for award consideration.

The preparation of this report would not have been possible without the efficient and dedicated service of the Pitkin County Finance Department. In addition, as a staff, we are grateful for the assistance we receive from our independent auditors, McMahan and Associates, L.L.C.

Respectfully submitted,



Ann Driggers
Finance Director



Jon Peacock
County Manager



Government Finance Officers Association

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

Presented to

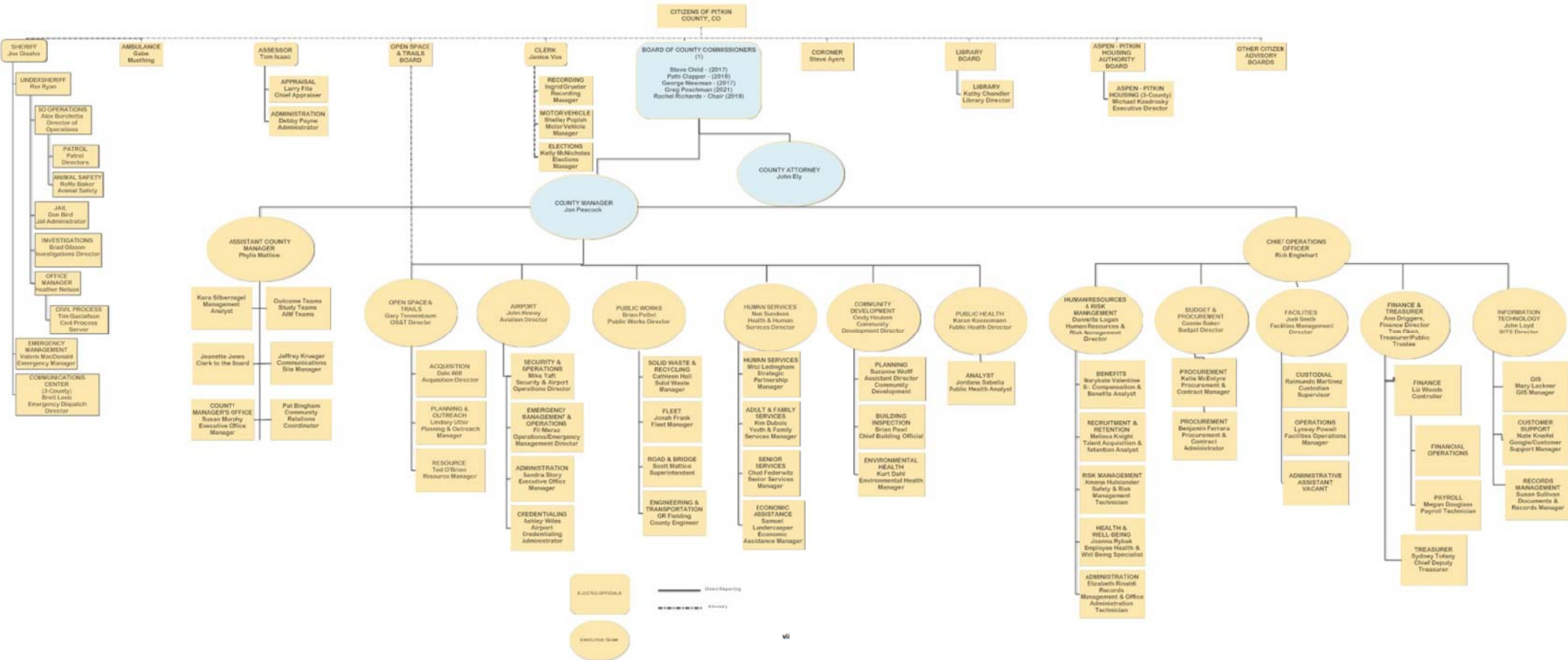
**Pitkin County
Colorado**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015



Executive Director/CEO



Pitkin County, Colorado
Principal County Officials
December 31, 2016

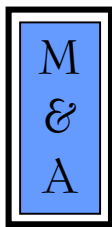
Elected Officials

District 1	Patti Clapper
District 2	Rachel Richards (Chair)
District 3	Michael Owsley
District 4	Steve Child
District 5	George Newman (Vice Chair)
Assessor	Tom Isaac
Clerk & Recorder	Janice Vos Claudill
Sheriff	Joe DiSalvo

County Manager
Jon Peacock

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FINANCIAL SECTION



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

**To the Board of County Commissioners
Pitkin County, Colorado**

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado (the "County"), as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit includes performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the County's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
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INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Pitkin County, Colorado

Opinions

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, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado as of December 31, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B 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.

The budgetary comparison information in section E is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. The budgetary comparison 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, combined schedule of cash and investments, combined schedule of governmental revenues by source, the *Local Highway Finance Report*, the Schedule of Passenger Facility Charges Collected and Expended, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining fund financial statements, the individual fund budgetary information, combined schedule of cash and investments, combined schedule of governmental revenues by source, and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such 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 information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

**INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Pitkin County, Colorado**

Other Matters (continued)

Additionally, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards included in the Single Audit section are presented for the purpose of additional analysis, as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and are not a required part of the County's financial statements. Such 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 statement 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 Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated July 19, 2017 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and on compliance.

A handwritten signature in blue ink that reads "McMahan and Associates, L.L.C.".

**McMahan and Associates, L.L.C.
July 19, 2017**

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Pitkin County, Colorado (the "County"), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of Pitkin County, Colorado for the fiscal year ending December 31, 2016. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages i – v of this report.

FINANCIAL HIGHLIGHTS

- The County's total net position exceeded its liabilities by \$344.0 million (net position) at the end of 2016, reflecting an increase of \$11.2 million (3.4%) in net position during 2016. Net position is defined as assets (\$427.3 million) and deferred outflows (\$0.4 million) minus liabilities (\$60.9 million) and deferred inflows (\$22.8 million). Of this amount, \$261.4 million represented the net investment in capital assets and the remaining \$82.6 million supported County programs. Governmental activities increased \$10.5 million (4.5%) and business-type assets increased \$0.66 million (0.7%).
- The Open Space and Trails Fund continues to acquire open space properties and construct improvements to its trails. During 2016 the program, funded primarily by a dedicated property tax, accomplished the following projects:
 - Pitkin County Open Space and Trails (OST) closed 2016 with the \$2 million purchase of a conservation easement on 119 acres of St. Jude's Ranch, a historic ranch on the edge of Basalt. It was the first of a two-phase purchase that, when complete, will protect roughly 260 acres and associated senior water rights. This ranch features scenic agricultural lands to either side of the Rio Grande Trail.
 - Coke Ovens Open Space, a \$1.8 million acquisition, preserves 35 acres bordering Coal Creek near Redstone, adjacent to the historic Redstone Coke Ovens that have been preserved and restored by Pitkin County. At present, Avalanche Outfitters holds a lease to use the property for its operations. Open Space and Trails closed on another 35 acres associated with this open space in 2017; its purchase was part of the \$1.8 million acquisition cost.
 - OST purchased a combination of property and trail easements along Prince Creek Road for \$1.175 million in 2016. The acquisitions are expected to facilitate safety improvements for pedestrians and mountain bikers by providing off-road parking and an off-road trail corridor.
 - The construction of separate recreational trails for mountain bikers and equestrians at Glassier Open Space in 2016 was well-received by both user groups. The Glassier trails provide a connection from the Rio Grande Trail to Bureau of Land Management land on the Crown in the mid-Roaring Fork Valley. Hikers have also embraced the new trails.
 - The debut of Seven Star Trail in fall of 2016 was also lauded by the recreation community. The new single-track was a joint project of OST and the Town of Snowmass Village with a contribution from Roaring Fork Mountain Bike Association and a private contribution. The trail offers a new loop opportunity via a connection to the Rim Trail North, on the north side of Snowmass Village, and adds to the greater Sky Mountain Park network trails.
- Pitkin County issued \$12.37 million in general obligation refunding bonds in 2016. Proceeds were used to refund the \$4.25 million general obligation Open Space acquisition note (Joy Smith Property) and the \$8.055 million 2006 series of general obligation Open Space acquisition and refunding bonds. Both the note and the bond series were callable during the latter part of 2016. The combined present value savings achieved through the refunding is approximately \$2.27 million.

-
- In preparation for the remodel of the County's public safety and administrative building and construction of a 22,000 square foot addition, eight County departments were relocated into temporary spaces in Aspen and Basalt. Construction is underway on the \$25 million building project, and the new facility is expected to reopen in summer of 2018. Pitkin County issued \$22.79 million in certificates of participation in order to finance the construction.
 - In November 2016, the County purchased its temporary location at 123 Emma Road in Basalt for \$3.1 million. The purchase will save the County approximately \$250,000 in lease payments. When County staff return to the Sheriff and Administrative building, the Basalt location will be the future home of Mountain Family Health Center, the area's only Federally Qualified Health Center, serving low-income, Medicare and Medicaid patients.
 - Public Safety initiatives were at the forefront of 2016 County capital projects. The County partnered with other governments and public safety agencies to migrate from the outdated and failing analog radio system to the State of Colorado's 800 MHz digital trunk radio system (DTRS). The project cost is budgeted at \$3.1 million. The general fund contributed \$865,000, the translator fund \$505,000, the ambulance fund \$42,000 and other agencies \$1.73 million. A total of \$1.8 million was spend on the project in 2016 with the remaining \$1.3 budgeted for 2017. As part of participating in the State's system, the County will enter into Memorandum's of Understanding to turn over maintenance, programing and replacement of all the DTRS equipment to the State for 25 years at each communication site. County user departments purchased \$100 thousand in new radios and related equipment in 2016, and will spend an additional \$700 thousand in 2017.
 - The TV/FM Translator Fund expended \$680 thousand on translator replacements and site infrastructure in 2016. The 2017 Translator capital budget includes \$2 million for site rebuilds at Elephant Mountain, Sunlight Mountain, and Red Hill, and for equipment replacements on six other mountaintop sites. The site rebuilds support the television and radio translator system, public safety radio infrastructure, and also will serve as the backbone for completion of a middle mile microwave network designed to extend broadband access to the more remote areas of Pitkin County. The General Fund will contribute \$500 thousand for microwave equipment to support broadband. Pitkin County was awarded an \$896,800 grant from the Colorado Department of Local Affairs to advance this project.
 - Pitkin County completed the relocation of the 911 Dispatch center from its former location in the Jail building to the North 40 fire station. The relocation was a complex technological project involving new phone and radio connections, as well as, updated consoles and dispatch computer equipment. Total cost for the project was \$1.8 million.
 - 2016 renewable energy and energy conservation initiatives included the purchase of a 98.2kW solar array from the Clean Energy Collective for \$313,000, and the installation of electric vehicle charging stations at Public Works. Approximately 25% of County vehicles purchases are electric or hybrid vehicles. Pitkin County received approval for a 103kW solar installation at Public Works which will be completed in 2017 for a budget of \$250 thousand.
 - Construction of the Basalt whitewater park continued throughout 2016 with over \$600 thousand spent from the Pitkin County Healthy Rivers and Streams fund. The project includes an in-channel recreational diversion, a play wave, and bank stabilization work. It also secured a water right to help maintain a healthy river ecology in this section of the Roaring Fork River. An additional \$1.3 million is budgeted for project completion in 2017.
 - The Library District completed its \$13.7 million renovation and expansion in 2016. Fundraising efforts throughout the project contributed \$6.6 million, adding to earlier donations and investment earnings of \$5.8 million. The Library reopened on June 19, 2016. Changes include a larger and brighter children's

room in a safer location; a community meeting room; an ADA compliant layout with lower shelves and wider aisles; and a maker space for craft projects and video production.

- The Airport Environmental Assessment on runway safety improvements and a new airport terminal is nearing completion. \$1.6 million was spent on the assessment in 2016. Public outreach, community meetings and focus groups were held throughout the year. In 2016 the Airport also completed an expansion of the secure boarding area and began a baggage screening area improvement project which will be completed in 2017.

The above financial highlights are explained in more detail in the “Financial Analysis” section of this document.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis introduces the County’s basic financial statements. The basic financial statements include: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. Supplemental information such as combining fund statements and budget-to-actual comparisons appear after the basic financial statements and complete the financial section of the report. The financial section is then followed by a statistical section.

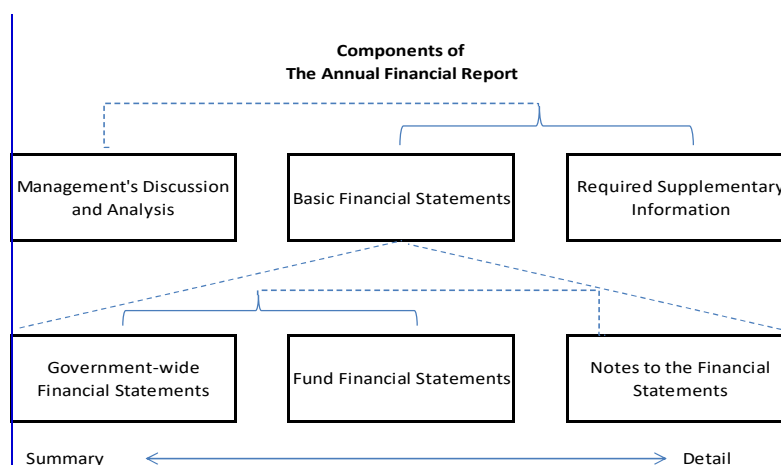
Government-wide Financial Statements

The County’s annual report includes two government-wide financial statements. These statements provide both long-term and short-term information about the County’s overall financial status. Financial reporting at this level uses a perspective similar to that found in the private sector utilizing accrual accounting and elimination or reclassification of activities between funds.

The **Statement of Net Position** presents financial information on all funds of Pitkin County’s assets, liabilities, and deferred inflows/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County as a whole is improving or deteriorating. Evaluation of the overall financial health of the County would extend to other factors such as diversification of the taxpayer base or the condition of County infrastructure, in addition to the financial information provided in this report.

The **Statement of Activities** presents information showing how the County’s net position changed during the current calendar year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. earned but unused vacation leave). An important purpose of the design of the statement of activities is to show the financial reliance of the County’s distinct activities or functions on revenues provided by the County’s taxpayers.

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes, fees and intergovernmental revenues (governmental activities) from other



functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include primarily general government, public safety, public works, housing, culture and recreation, and health and welfare. Business-type activities include the airport and the solid waste center (landfill and recycling).

The government-wide financial statements include not only the County itself (known as the *primary government*), but also a legally separate library district for which the County is financially accountable. Financial information for the *component unit* is reported separately from the financial information presented for the primary government itself.

The government-wide financial statements can be found on pages C1 through C3 of this report.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The County uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial statements focus on the County's most significant funds rather than the County as a whole. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds are reported in the fund financial statements and encompass the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the year. Such information may be useful in evaluating annual financing requirements of governmental programs and the commitment of spendable resources for the near-term.

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

The County maintains four major governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Open Space and Trails Fund, the Transportation Sales and Use Tax Fund, and the Housing Impact Fee Fund. Data from the other non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in the report.

The County adopts a budget for all its general governmental and proprietary funds. A budgetary comparison statement has been provided for all funds to demonstrate compliance with the state budget statute.

The basic governmental fund financial statements are presented on pages C4 through C9 of this report.

Proprietary funds are reported in the fund financial statements and generally report services for which the County charges customers a fee. The two County proprietary funds are classified as enterprise funds and encompass the same functions reported as business-type activities in the government-wide statements: Airport and Solid Waste Center. Proprietary funds provide the same type of information as the government-wide financial statements but in more detail.

The basic enterprise fund financial statements are presented on pages C10 through C13 of this report.

Fiduciary funds are used to account for resources held for the benefit of parties outside of the governments. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support Pitkin County's own programs.

The County maintains two different types of fiduciary funds. The Pension Trust Fund is used to report the assets held for the Pitkin County Public Employees Retirement Plan (PCPERP). Agency funds are used to report resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The basic fiduciary fund financial statements can be found on pages C14 through C15 of the report.

Notes to the Basic Financial Statements

The accompanying notes to the basic financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements can be found in Section D of this report.

Required and Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report also presents certain supplementary information to demonstrate compliance with the County's adopted and final revised budget. Budgetary comparison statements are included as "required supplementary information," and found in Section E, for the General Fund and the three major special revenue funds. Budgetary comparison schedules for all other governmental funds can be found under "other supplementary information" along with other combining and individual fund statements and schedules in Section F.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

The County's assets and deferred outflows exceeded liabilities and deferred inflows by \$343,993,072 at the end of 2016. The amount of total net position is one measure of the health of the County's finances. The County reports positive balances in its governmental activities, however, this measure must be used with care as the County has investments in infrastructure such as roads and bridges, in addition to land for open space and trails. These assets benefit the citizens and businesses that utilize them. Thus, the County reports them on its government-wide financial statements at their historical cost less accumulated depreciation, as a business would report its capital assets.

The following table provides a summary of the County's net position:

Pitkin County's Net Position (\$000)

	Governmental Activities		Business-type Activities		Total	
	(as restated)		(as restated)		(as restated)	
	2016	2015	2016	2015	2016	2015
Assets:						
Current and other assets	\$ 116,254	\$ 97,875	\$ 27,857	\$ 22,065	\$ 144,110	\$ 119,940
Capital assets	205,241	193,768	77,964	82,311	283,205	276,079
Total Assets	321,495	291,643	105,821	104,376	427,315	396,019
Deferred Outflows:	406	555	-	-	406	555
Liabilities:						
Long-term liabilities	43,823	24,044	3,451	3,319	47,274	27,363
Other liabilities	11,965	9,702	1,658	1,093	13,623	10,795
Total Liabilities	55,788	33,746	5,109	4,412	60,897	38,158
Deferred Inflows:	22,832	22,465	-	-	22,832	22,465
Net Position:						
Net investment in capital assets	183,412	172,687	77,964	82,311	261,376	254,998
Restricted	27,664	23,799	-	-	27,664	23,799
Unrestricted	32,205	39,502	22,748	17,652	54,953	57,154
Total Net Position	\$ 243,281	\$ 235,988	\$ 100,712	\$ 99,963	\$ 343,993	\$ 335,951

Governmental accounting principles require that the amount of net position represented by the County's equity in capital assets be presented separately as Net Investment in Capital Assets, in order to show that they are not financial assets available for appropriation. Approximately 75% of the governmental activities' net position and 77% of the business-type activities' net position are invested in capital net of related debt. The Open Space and Trails Fund has invested over \$140.6 million (net value of \$135.5 million) for assets since 1991 with funds received from a dedicated property tax, Great Outdoors Colorado grants, and community partnerships. Depreciation on airport assets explains the decrease in the business type investment. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate this liability.

Of the County's total equity of \$344.0 million, \$261.4 million represents the net investment in capital assets; \$27.7 million is restricted by parties external to the County; and \$55.0 million is unrestricted. Restricted net position represents resources that are subject to external restrictions on how they may be used. The largest restricted balances for the governmental funds come from sales and use taxes dedicated for transportation needs of the community (\$7.4 million), a property tax dedicated for the open space and trails program (\$12.5 million), and impact fees to provide affordable housing for residents of Pitkin County (\$11.8 million).

The unrestricted net position of \$55.0 million represents the portion available to maintain the County's general obligations to citizens and creditors of which \$22.7 million is held by business-type activities and \$32.2 million is held in governmental activities.

Changes in Net Position

Governmental and business-type activities increased the County's net position by \$8.04 million in 2016. The following table derived from the current and prior year's *Statement of Activities* indicates the changes in net position for governmental and business-type activities:

Pitkin County's Changes in Net Position (\$000)

	Governmental Activities		Business-type Activities		Total	
	2016	2015 (as restated)	2016	2015 (as restated)	2016	2015 (as restated)
Revenues:						
Program revenues:						
Charges for services	\$ 8,916	\$ 10,124	\$ 14,823	\$ 14,984	\$ 23,739	\$ 25,108
Operating grants/cont.	7,161	6,343	99	653	7,260	6,996
Capital grants/contributions	2,483	560	3,594	2,376	6,077	2,936
General revenues:						
Property Taxes	22,339	20,324	-	-	22,339	20,324
Sales taxes	26,391	25,385	-	-	26,391	25,385
Other taxes	758	735	-	-	758	735
Investment earnings	620	436	189	103	809	539
Other	148	(56)	12	15	160	(41)
Total Revenues	68,816	63,851	18,717	18,131	87,533	81,982
Expenses:						
Program expenses:						
General government	12,081	10,220	-	-	12,081	10,220
Public safety	13,221	9,522	-	-	13,221	9,522
Public works	22,709	24,615	-	-	22,709	24,615
Health and welfare	6,362	5,697	-	-	6,362	5,697
Culture and recreation	5,726	4,925	-	-	5,726	4,925
Conservation of natural resources	5	6	-	-	5	6
Housing	368	407	-	-	368	407
Interest on long-term debt	1,051	1,050	-	-	1,051	1,050
Airport	-	-	13,577	12,114	13,577	12,114
Solid Waste Center	-	-	4,392	5,522	4,392	5,522
Total Expenses	61,523	56,442	17,969	17,636	79,492	74,078
Change in Net Position	7,293	7,409	748	495	8,041	7,904
Net Position:						
Beginning	235,988	228,579	99,964	99,468	335,952	328,047
Ending	\$ 243,281	\$ 235,988	\$ 100,712	\$ 99,963	\$ 343,993	\$ 335,951

Governmental Activities: Governmental activities increased Pitkin County's net position by \$7.3 million from the prior year for an ending balance of \$243.3 million. Although budgets are adopted annually, the Board's budget policy strives for adoption of a balanced five-year plan for all funds. The County's capital plan is projected for a ten-year period and is supported by a portion of the general sales tax determined annually by the BOCC. In 2016, 52% of sales tax revenues were allocated to fund capital projects. Capital projects included the \$25 million Sheriff and Administrative building construction project begun in 2016 and to be completed in 2018, and the \$3.6 million acquisition and remodel of the 123 Emma Road building in Basalt.

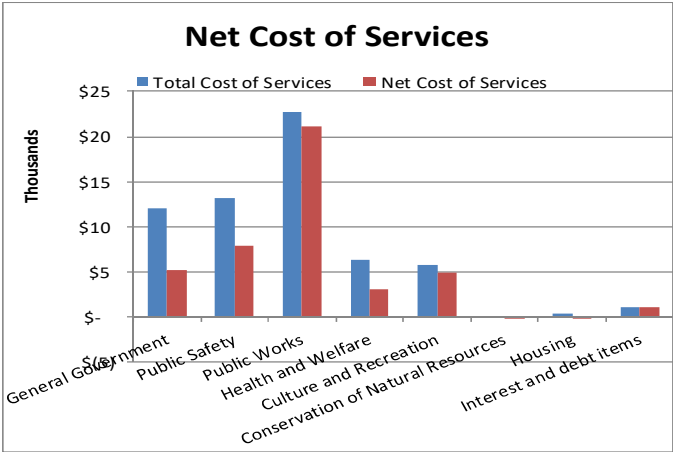
Governmental Functional Revenues

Program revenues provided 27.0% to the support of governmental operations. This means that the County's taxpayers and other general governmental revenues fund 73.0% of the governmental activities. Property, sales and use taxes provide general support for the County's operations with property tax providing 33.6%, sales and use tax providing 38.4%, and interest and gain on sale of fixed assets 1%. Sales tax revenues have steadily increased since the decline in 2009. Sales tax collections are 3.6% over 2015 collections and 52% over the low in 2009. Fifty-five percent (\$27.4 million) of general revenues are dedicated to support regional transportation and the Open Space and Trails program, and another 12% (\$5.7 million) supports voter approved programs including TV/FM Translators & Broadband, Rivers and Streams, Ambulance, and community health and service agencies and non-profits. The balance of approximately \$16.3 million supports core services (including roads, buildings, law enforcement, public assistance, and community development) for its citizens. Investment income showed a slight increase and provided \$620,076 in 2016.

Governmental Functional Expenses

The public works, general government, and public safety functions make up approximately 78.1% of the total governmental activities expenses. Public works totals 36.9% of total governmental expenses. Of this amount, 26.6% was spent by the County Road and Bridge Fund (including depreciation of approximately \$1.5 million), 69.0% went to transportation needs of the County, and 3.9% to TV/FM translators. The general government function, including the County's administrative and community development costs, as well as numerous service agencies, totaled 12.2% of the total governmental expenses. Public safety accounted for 18.3% of the total costs.

This chart displays the net cost of each of the County's programs, (i.e., total cost less revenues generated by the activities). Net cost of services illustrates the financial burden placed on the County's taxpayers by each of these functions. Public safety is the next largest function, after public works, which requires taxpayer support. This includes law enforcement, dispatch, jail and emergency management services. The fourth largest component of public expenditures (7.1%) is for health and human services. Support is for economic assistance, adult and family services, senior programs, and costs associated with maintaining the Michael Schultz Health and Human Services building.



A dedicated property tax provides funding to local health and human services and community non-profit programs. This tax provides approximately \$2.2 million annually to support local organizations that provide health care services that address community problems and enhance the quality of life to the elderly, children or families, or agencies that are involved in promoting cultural, recreational, and educational opportunities.

Business-Type Activities

Net position increased by \$748,620 for business-type activities. The net position of the airport decreased \$1,122,740 and the Solid Waste Center increased \$1,871,360. The government-wide business-type activities statements share the same focus as the proprietary fund statements. Refer to the explanation below for the analysis of results of operations for these two funds.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

Governmental Funds

Pitkin County uses fund accounting to ensure compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance that has not yet been limited to use for a particular purpose either by an external party, or by Pitkin County itself.

At December 31, 2016, the County's governmental funds reported combined fund balances of \$84,309,917, an increase of \$23,815,643 over the prior year. Approximately 5.1% of this amount (\$4.3 million) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either restricted, committed, or assigned to indicate that it is 1) legally required to be maintained for a specific purpose by outside entities or persons (\$27.7 million); 2) committed by the Board of County Commissioners (\$12.1 million); or 3) assigned for planned or intended actions restricted for particular purposes (\$39.8 million). The fund balances of the four major funds total \$78.1 million; the General Fund represents \$46.4 million, the Employee Housing Impact Fund has \$11.8 million, Transportation Sales and Use Tax Fund has \$7.4 million and the Open Space and Trails Fund represents \$12.5 million.

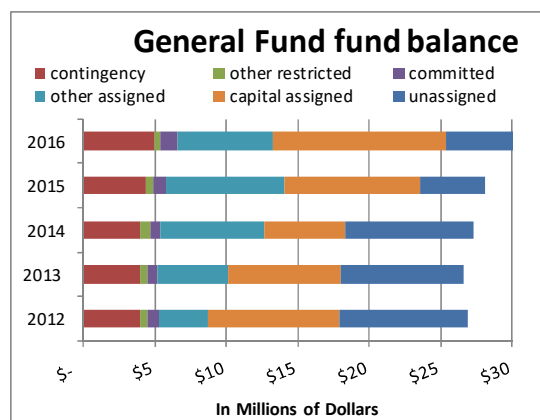
General Fund

The General Fund is the County's primary operating fund and accounts for all transactions not accounted for in other funds. It accounts for many of the County's core services, such as law enforcement, planning, clerk and recorder, elections, buildings and general administrative functions. As the County's major operating fund, the General Fund accounts for ordinary operating expenditures financed primarily by property taxes, sales taxes and charges for services.

Taxes provide 52.6% of the total support for the General Fund. Property taxes garnered \$6.7 million and sales taxes \$7.6 million. Planning and building inspection fees declined nearly 25% over the collections for 2015 (down by \$815,000). These fees saw double digit increases in 2012-2014, slowed in 2015, then returned to 2013 levels in 2016. This pattern follows historical trends, where a sharp decline is seen after a period of strong growth. In June 2016 the Board of County Commissioners approved a simplified Community Development fee

structure using a flat percentage of 2%. In February 2017, the percentage was increased to 2.7% which is anticipated to produce a sustainable revenue level. The 2016 budget earmarked 52% of the sales tax collections to fund capital projects. Capital project expenditures in 2016 totaled \$12.1 million, an increase of \$8.3 million over 2015. The largest expenditures were for County facilities. \$3.1 million was spent on the Sheriff and Administrative building, out of a total project cost of \$25 million; the acquisition and remodel of the Basalt Emma Road building totaled \$3.6 million; and the relocation and remodel of a portion of the North 40 fire station to house County dispatch totaled \$1.8 million, including technology infrastructure and equipment. Other notable capital projects include \$1.1 million for road and bridge repairs and \$0.3 million for a 98.2kW solar array from the Clean Energy Collective.

The General Fund has a fund balance of \$46.4 million of which \$1.5 million is restricted by state or federal regulations, \$300,000 is committed by BOCC, and \$39.8 million is assigned for various purposes. The assigned portions include \$28.2 million for capital projects, \$4.3 million for contingencies over the amount required by the state constitution, and \$3.8 million for programs or contributions to offset future health insurance increases. The remaining assigned fund balance is designated for other uses as detailed in Note III.H.



Transportation Sales and Use Tax Fund

The Transportation Sales and Use Tax Fund collects taxes that support the Roaring Fork Transportation Authority (RFTA) and other transit needs of the valley. A 1% county-wide transportation sales tax is distributed to RFTA, the City of Aspen and the Town of Snowmass Village for mass transit services. A 0.5% transportation sales and use tax is also maintained in this fund. 81% of the 0.5% sales tax is distributed to RFTA. The remaining 0.5% revenues are used to underwrite free bus service between Aspen, Snowmass Village, and Woody Creek and are being saved for a future Entrance-to-Aspen project and a Snowmass Village transit center. Since all of the 1% tax proceeds are distributed, the ending fund balance of \$7.4 million is entirely from the proceeds of the .5% sales and use tax. In 2016, the fund contributed \$750,000 to the City of Basalt for construction of a \$7.1 million pedestrian underpass at the intersection of Highway 82 and Basalt Avenue.

Open Space and Trails Fund

The fund balance of the Open Space and Trails Fund is dedicated 75% to open space acquisition, 10% to trails improvements and 15% to property maintenance. The fund currently has \$12.5 million in fund balance, which fluctuates depending on the capital acquisitions made in any year. Significant 2016 acquisitions include a 119 acre conservation easement on St. Jude's Ranch, Coke Ovens Open Space acquisition near Redstone, and property and trail easements along Prince Creek Road. These acquisitions are described in detail in the financial highlights section at the beginning of this letter. Sound stewardship of the properties is a primary focus of the Open Space staff. Staff conducts public outreach to assist in developing the best use and management of the properties, and stewardship plans are continually being reviewed and updated.

Housing Impact Fee Fund

The Housing Impact Fee Fund has accumulated \$11.8 million of fund balance from collections of payments from the housing impact fees. A housing Impact fee is assessed on new residential structures exceeding 5,750 square feet, commercial development and development of tourist lodging accommodations. The proceeds of this fee are restricted to help provide affordable housing opportunities to the local workforce that may be unattainable due to the high cost of housing in resort communities. The County continues to work on strategies and seek opportunities to assist Pitkin County residents find affordable housing close to the resort areas to provide families with a high quality of life. Pitkin County currently owns nine units that are managed by APCHA. No units were added in 2016.

Proprietary Funds

The Airport is the County's primary enterprise fund. Operating revenues decreased slightly (\$66 thousand) and operating expenses increased (\$1.5 million) resulting in a decrease in net operating income of approximately \$4.9 million 2015. Non-operating revenues and capital contributions reduced the loss \$3.8 million resulting in a loss in net position of \$1.12 million. The costs of airport infrastructure and buildings are largely supported by Federal Aviation Administration (FAA) grants. The FAA contributes 90% for the acquisition or construction of capital improvements, so it is not necessary for the operating revenues to cover the annual depreciation expense, which accounted for \$4.8 million of the net operating loss.

The Aspen-Pitkin County Airport has more regular service from major carriers than any other regional ski town airport in North America, with an average of 113 daily aircraft operations and 250,266 enplanements in 2016. Future airport operations are expected to grow at a much faster rate than the FAA's projected national average growth of 1.9% for U.S. passenger carriers. The FAA projections are based on oil prices while, the airports growth is based on airlines increased flight schedules to Aspen-Pitkin County Airport. This growth will provide a larger clientele base to local Roaring Fork Valley businesses and resorts.

The Solid Waste Center Fund showed favorable operating results with net operating income of \$1.5 million, and a favorable change in net position of \$1.87 million. The contract for landfill operations expired in February 2016, with the county bringing all landfill operations in-house. The contractor requested an early termination which the county granted and which took effect in December 2015. The county operated all aspects of the Solid Waste Center for 2016. The cost savings realized by the county's in-house operations totaled \$931,094. In addition, the SWC saw a nearly 10% increase in received waste for disposal. SWC staff predict the increase of trash disposal to continue through 2017.

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Fiduciary Funds – Retirement Fund

The County withdrew from Social Security and the Colorado County Officials and Employees Retirement Association in 1983 and formed a replacement retirement plan, the Pitkin County Public Employees Retirement Plan (PCPERP). The portfolio options are comprised of a diversified mix of mutual funds, selected to meet the objectives of each option. Great West Retirement services provides participant record keeper services and Wells Fargo Bank acts as trustee for investments of the County's retirement plan. PCPERP is a defined contribution plan, and consequently there are no unfunded liabilities. The following table lists the allocation of investments for each portfolio option and the annual investment return.

Model Portfolio Investment Options

Asset Allocation	Very Conservative Growth Target Fund	Conservative Growth Target Fund	Moderate Growth Target Fund	Growth Target Fund	Aggressive Growth Target Fund
Income Funds	88%	65%	42%	21%	8%
Large Cap Stock Funds	4%	12%	22%	31%	36%
Mid Cap Stock funds	1%	3%	6%	8%	10%
Small cap Stock Funds	1%	2%	3%	4%	4%
Foreign Sock Funds	5%	13%	22%	33%	37%
Commodity Fund	1%	5%	5%	3%	5%
2016 annual investment return	4.5%	6.1%	7.6%	8.6%	8.5%

GENERAL FUND BUDGETARY HIGHLIGHTS

In December 2015, the Board of County Commissioners appropriated \$48.4 million for 2016 General Fund expenditures. The General Fund budget was amended by \$14.9 million to \$63.3 million during the year. The final budget anticipated a decrease of \$17 million to the General fund balance, due to the inclusion of the full cost of the Sheriff and Administrative building construction.

2016 General Fund Budget

	Original Budget	Amendments	Final Budget	Actual	Variance to Final Budget
Revenue and other financing sources	\$ 42,926,552	\$ 3,401,601	\$ 46,328,153	\$ 52,214,251	\$ 5,886,098
Expenditures and other financing uses	48,392,949	14,903,186	63,296,135	37,013,705	26,282,430
	<u>\$ (5,466,397)</u>	<u>\$ (11,501,585)</u>	<u>\$ (16,967,982)</u>	<u>\$ 15,200,546</u>	<u>\$ 32,168,528</u>

Midyear budget amendments included:

- Budget appropriations lapse at year-end, so it was necessary to appropriate budgets for projects not completed in 2015. The net value of these projects totaled \$5.1 million in the General Fund. Accumulated fund balance from prior periods provided financing for projects that were carried forward. Capital projects that could not be completed during 2015 included \$1.3 million for the Sheriff and Administration building project, \$1.3 million for Dispatch relocation and equipment, and \$439,770 for broadband infrastructure. Other projects included \$248,000 in voting equipment, \$221,000 in Clerk's

recording projects and equipment, \$135,000 for software implementation projects, \$100,000 for electric vehicle purchases, and a variety of minor grants and projects from 15 other departments.

- Mid-year budget adjustments to the General Fund budget during 2016 included \$10.2 million in expenditure appropriations and transfers to other funds and \$3.7 million in revenue, for a net budget change of \$6.5 million. As the County embarked on capital initiatives, a number of positions were added to increase internal capacity: an Electrical Inspector/Plans Examiner in Community Development; a term-limited Administrative Assistant in Dispatch; a Controller in Finance; a Chief Operations Officer in the Manager's Office; and a Communications Project Engineer with the salary split between the Translator fund and General Fund Public Safety Radios. \$3.3 million was appropriated to purchase the Two Rivers building in Basalt to which County administrative offices were relocated. \$675,000 was transferred from the Park Dedication balance for purchase of a portion of the Open Space Prince Creek Trail. Pitkin County received a grant for the final phase of the Redstone Coke Ovens project for \$254,134 with a 20% County match required. Public Works purchased a solar array for \$313,119 from the Clean Energy Collective, contributed \$240,000 to the construction of the Basalt pedestrian underpass, and appropriated \$607,000 for repairs to the Redstone south bridge and for additional road projects. A \$2.8 million mid-year appropriation was also added for replacing the aging analog public safety radio system with an 800 MHz digitally trunked radio system. A budget adjustment in Dispatch reclassified expenditure contra to revenue, resulting in a \$784,556 increase to both the expenditure and revenue budgets.
- Mid-year budget adjustments to other County funds totaled \$17.6 million in new expenditures and \$12.6 million in revenue, for a net budget adjustment of \$5 million. \$12.4 million in both expenditures and revenues was added to budget for Open Space bond refunding. The Airport appropriated \$2.9 million for baggage screening improvements, fence security and runway ramp maintenance. The Library added \$490,000 for roof improvements. The Solid Waste Center appropriated \$237,000 for storm water infiltration mitigation, a vehicle replacement, and an increase in gatekeeper hours. The Human Services fund added \$100,000 for additional use of the childcare assistance program and the supplemental nutrition program.

Actual 2016 revenues exceeded expenditures in the General Fund by \$15.2 million. The budgeted deficit of \$17 million was not realized, mainly due to timing on capital replacement and project completions. A positive budget variance of \$32.2 million resulted. On the revenue side, Community Development revenues fell short of budget by \$890 thousand, and revenues for the 800 MHz conversion budgeted in 2016 but received in 2017 totaled \$562 thousand. Despite these negative results, total revenues exceeded budget by \$5.9 million due to the higher level of financing obtained for the Sheriff and Admin facility, with proceeds \$7.5 million greater than budget. Actual expenditures were \$26.3 million less than budget. 94% of these expenditure savings (\$25.6 million) were re-appropriated in the 2017 budget as carry forward items. Savings not re-appropriated include \$161 thousand from capital projects concluded in 2016. Operating savings include \$500 thousand in payroll savings due to turnover and position vacancies.

The County maintains a 10-year General Fund capital projects plan and dedicates a portion of sales tax to that plan. This strategy has resulted in departments which manage capital projects working together to prioritize the overall capital needs of the County. Although there is a \$28.3 million fund balance assigned to capital projects, the 10-year plan utilizes most of that balance for the Sheriff and Admin building construction and other technology, road and facility improvements, along with vehicle replacements, over the next several years. General Fund operating surpluses can be used to fund one-time capital projects. The pace of projects will be accelerated or slowed to maintain a desired level of fund balance.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2016, was \$205,240,942 and \$77,964,189 respectively. The net investment increased by 6.0% for governmental activities and decreased 5.3% for business-type activities. The overall increase was 2.5% for the County as a whole. See Note III.E for additional information about changes in capital assets during the calendar year and outstanding at the end of the year. The following table provides a summary of capital asset activity.

Pitkin County's Capital Assets (\$000)

	Governmental Activities		Business-type Activities		Total	
	2016	2015 (as restated)	2016	2015 (as restated)	2016	2015 (as restated)
Non-depreciable assets:						
Land and water rights	\$ 104,465	\$ 101,296	\$ 7,922	\$ 7,923	\$ 112,387	\$ 109,219
Intangible assets	48,418	46,413	2,956	2,956	51,374	49,369
Construction in progress	3,755	990	157	333	3,912	1,323
Total non-depreciable assets	156,638	148,699	11,035	11,212	167,673	159,911
Depreciable assets:						
Buildings	30,731	27,139	20,660	19,943	51,391	47,082
Other improvements	1,921	1,921	79,486	79,474	81,407	81,395
Equipment	15,732	13,865	15,323	15,255	31,055	29,120
Infrastructure	57,592	57,069	-	-	57,592	57,069
Total depreciable assets	105,976	99,994	115,469	114,672	221,445	214,666
Less accumulated depreciation	(57,373)	(54,925)	(48,540)	(43,573)	(105,913)	(98,498)
Book value - depreciable assets	48,603	45,069	66,929	71,099	115,532	116,168
Percent depreciated	46%	45%	58%	62%	52%	54%
Book value - all assets	\$ 205,241	\$ 193,768	\$ 77,964	\$ 82,311	\$ 283,205	\$ 276,079

At December 31, 2016 the depreciable capital assets for governmental activities were 46% depreciated compared to 45% at December 31, 2015. This comparison indicates that the County is replacing its assets at approximately the same rate as they are depreciating, which is a positive indicator. However, less than half the value of the assets has been used which indicates that the County needs to continue planning its replacement of its capital assets. Land and intangible assets represent 74.5% of the total assets showing the continued investment by the open space program.

The net asset value for the 2015 assets were restated by \$3.2 million due to the Aspen Airport Business Center Road Improvements completed in 2015 being fully depreciated in the first year. Open Space and Trails acquisitions explained in the Financial Highlights explain the increase in the land and intangible asset category. Four projects in the construction in progress category include the initial stages of the Courthouse Plaza renovation, the construction of the Basalt Water Park, improvements to the radio towers and the MHZ project. The building acquisition of the office space in Basalt explains the increase in the building category. The dispatch center was relocated in 2016 and all 911 equipment was replaced (\$1.1 million) \$(1.4 million). The Basalt water park project

For the County's business type activities, the asset values were 62% depreciated at December 31, 2016 compared to 52% at December 31, 2015. The Solid Waste Center purchased a light truck and a couple of skid steers needed to complete the transition to bring the daily operations in-house. Airport terminal improvements made at the airport.

Long-term Debt

At the end of the calendar year, general obligation bonds and notes of \$114,090,000, sales tax revenue bonds totaling \$6,480,000 and \$22,790,000 of Lease Certificates of Participation (COP's) were outstanding. The County has authorization to issue an additional \$20 million of general obligation debt for future open space acquisitions or trail construction projects, and \$12 million of sales tax revenue bonds for water projects. During 2016 the County refinanced two general obligation bonds totaling \$12.3 million. These refundings reduced the future debt service payments by \$2.6 million resulting in an economic gain of \$2.3 million. The County also issued 22.315 of Certificates of Participation (COP) to finance the renovation of the Courthouse Plaza Administration and Law Enforcement offices. The COP received a Moody's rating of Aa2 and reaffirmed the general Obligation rating of Aa1.

Pitkin County's Outstanding Debt (\$000)

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
General obligation bonds	\$ 13,170	\$ 10,490	\$ -	\$ -	\$ 13,170	\$ 10,490
Sales tax revenue bonds	6,140	\$ 6,810	-	-	6,140	6,810
Certificates of participation	22,315	\$ -	-	-	22,315	-
Premiums	744	\$ 86	-	-	744	86
Improvement bonds	-	\$ 9	-	-	-	9
Notes and loans	-	\$ 4,250	-	-	-	4,250
Landfill closure/postclosure	-	\$ -	3,345	3,207	3,345	3,207
Compensated absences	918	\$ 1,406	106	112	1,024	1,518
Claims	536	\$ 993	-	-	536	993
Total	<u>\$ 43,823</u>	<u>\$ 24,044</u>	<u>\$ 3,451</u>	<u>\$ 3,319</u>	<u>\$ 47,274</u>	<u>\$ 27,363</u>

See Note III.G for additional information about the County's long-term debt and Note IV.C.2 for discussion of the landfill closure and postclosure care liability.

Economic Factors and Next Year's budgets and rates

Although the County appropriates an annual budget, a five-year budget plan is developed for the all funds. A citizen Financial Advisory Board and an internal budget review team aid in setting projections and reviewing the budget prior to presentation to the BOCC for approval. While the 2016 General Fund budget included large capital appropriations for the Sheriff and Admin building, the 2017 budget focused on creating the internal capacity to meet community service needs and to manage the workload associated with an aggressive capital plan. Other upcoming capital projects include a new Ambulance facility, affordable housing initiatives, planning for Open Space trail improvements and construction, and mountaintop site rebuilds to provide Public Safety Radio, Translator, and Broadband capacity. Significant Airport capital improvements may also be proposed, depending on the outcome of the Environmental Assessment. The 2017 budget also created a Public Health department. The County's statutory public health obligations were previously met by Community Health Services, a non-profit entity supported through the County's Healthy Community Fund.

Pitkin County is experiencing pressures in a number of areas which will impact 2018 expenditure budget decisions.

- The growth and scope of upcoming capital projects continues to put pressure on the organization to develop more capacity.
- Modernization within the County brings an exponential growth in technology changes and the need to restructure processes to fit with industry best practices and standards.
- Our community expects a growing level of services, more commonly associated with urban rather than rural areas. This creates pressure to improve services in areas such as broadband, ambulance service, road conditions, trash and recycling management, to name a few.
- The restructuring of Public Health services into a County department will necessitate funding changes and a shift in revenue allocations.
- Management of the Phillips Trailer Park, purchased in 2017, will impact the Employee Housing fund.

The following revenue factors will influence the development of future budgets.

- Pitkin County's sales and property taxes provide significant funding for General Fund programs. Sales taxes were budgeted to grow at a moderate rate of 2.5% during 2017 and 2018 but return to a higher increases of 3.25% in future years. The development of one million square feet of commercial and residential space in Snowmass Village over the next five to seven years is expected to have a positive impact on future sales tax growth.
- Property tax increases for the General Fund are limited to growth and the increase in the Denver/Boulder CPI-U. Every two years, the County Assessor revalues all properties in the County. The 2017 revaluation, based on market conditions as of June 30, 2016, affects the County property tax revenues for 2018 and 2019. Initial revaluation results show a 15%-35% increase in property values, depending on location within the County. Pitkin County has complied with the revenue restrictions of the Taxpayers Bill of Rights (TABOR) by giving temporary mill levy reductions when property values increase.
- Community Development fees saw a sharp decline in 2016 but are expected to return to 2015 levels with the implementation of a 2.7% flat fee. The County expects development to pay for itself and Community Development fees to cover the costs of operations. Although it is expected that there will be surpluses in some years and deficits in others, fees will be set at a level to cover expenditures over the long run.

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- Interest rates have maintained at historically low levels for the past eight years. Potential rate increases will have an impact on the cost of capital projects for the Ambulance and the Airport.

Contacting the County's Financial Management

This financial report is designed to provide a general overview of the County's finances, comply with finance-related laws and regulations, and demonstrate the County's commitment to public accountability. If you have questions about this report or would like to request additional information, contact the County's Finance Director at 123 Emma Road Suite #106, Basalt, Colorado or by telephone at (970) 920-5225.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

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Pitkin County, Colorado
Statement of Net Position
December 31, 2016

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	
Assets:				
Equity in pooled cash and investments	\$ 61,747,095	\$ 21,514,677	\$ 83,261,772	\$ 1,571,708
Other cash and investments	-	-	-	13,985
Equity in pooled cash and investments, restricted	21,925,945	3,345,357	25,271,302	-
Receivables:				
Accounts, net	551,659	1,491,361	2,043,020	1,119
Property taxes	22,832,050	-	22,832,050	3,898,984
Sales taxes	6,490,441	-	6,490,441	-
Intergovernmental	2,230,329	1,125,459	3,355,788	-
Inventories, prepaid items, and other assets	188,080	379,850	567,930	-
Noncurrent receivables, net of allowance for uncollectibles	288,188	-	288,188	-
Capital assets not being depreciated	156,638,336	11,036,508	167,674,844	144,263
Capital assets, net of accumulated depreciation	48,602,606	66,927,681	115,530,287	15,318,995
Total assets	321,494,729	105,820,893	427,315,622	20,949,054
Deferred outflows of resources:				
Deferred charge on refundings	405,972	-	405,972	-
Total deferred outflows of resources	405,972	-	405,972	-
Liabilities:				
Accounts payable and other current liabilities	6,841,138	1,368,060	8,209,198	54,929
Accrued liabilities	473,412	52,522	525,934	12,635
Accrued interest payable	147,500	-	147,500	-
Unearned revenue	1,074,299	136,465	1,210,764	-
Deposits	722,969	29,301	752,270	-
Long-term liabilities:				
Portion due or payable within one year:				
Claims payable	357,516	-	357,516	-
Accrued compensated absences	612,130	70,820	682,950	47,210
Bonds payable	1,735,000	-	1,735,000	-
Portion due or payable after one year:				
Closure and post closure costs payable	-	3,345,357	3,345,357	-
Claims payable	536,274	-	536,274	-
Accrued compensated absences	918,196	106,230	1,024,426	70,815
Bonds payable	42,369,282	-	42,369,282	-
Total liabilities	55,787,716	5,108,755	60,896,471	185,589
Deferred inflows of resources:				
Property taxes	22,832,050	-	22,832,050	3,898,984
Total deferred inflows of resources	22,832,050	-	22,832,050	3,898,984
Net position:				
Net investment in capital assets	183,411,917	77,964,189	261,376,106	15,463,258
Restricted for:				
Statutory reserve	1,942,448	-	1,942,448	118,087
Debt service	165,865	-	165,865	-
State and federal programs	680,307	-	680,307	-
Voter approved programs	24,688,503	-	24,688,503	1,283,136
Clerk's programs	186,657	-	186,657	-
Unrestricted	32,205,238	22,747,949	54,953,187	-
Net position	\$ 243,280,935	\$ 100,712,138	\$ 343,993,073	\$ 16,864,481

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Activities
For the Year Ended December 31, 2016

Functions/ Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities				
General government	\$ 12,080,968	\$ 5,267,907	\$ 1,571,994	\$ -
Public safety	13,220,804	2,323,947	1,273,582	1,748,786
Public works	22,706,577	184,115	1,365,166	-
Health and welfare	6,362,483	420,104	2,884,457	-
Culture and recreation	5,726,370	130,161	-	733,786
Conservation of natural resources	4,635	11,216	65,420	-
Housing and development	368,200	578,691	-	-
Interest on long-term debt	1,050,852	-	-	-
Total Governmental Activities	<u>61,520,889</u>	<u>8,916,141</u>	<u>7,160,619</u>	<u>2,482,572</u>
Business-Type Activities				
Airport	13,576,191	8,681,430	-	3,593,719
Solid Waste Center	4,391,808	6,141,320	99,213	-
Total Business-Type Activities	<u>17,967,999</u>	<u>14,822,750</u>	<u>99,213</u>	<u>3,593,719</u>
Total Primary Government	<u>\$ 79,488,888</u>	<u>\$ 23,738,891</u>	<u>\$ 7,259,832</u>	<u>\$ 6,076,291</u>
Component Units				
Pitkin County Library District	4,604,184	26,927	2,219,920	146,075
Total Component Units	<u>\$ 4,604,184</u>	<u>\$ 26,927</u>	<u>\$ 2,219,920</u>	<u>\$ 146,075</u>

General Revenues

Property taxes
Sales taxes
Other shared taxes
Gain on disposal of assets
Investment earnings
Miscellaneous

Transfers

Total General Revenues

Change in Net Position

Net Position Beginning of Year (as restated)

Net Position End of Year

The accompanying notes are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Unit
\$ (5,241,067)	\$ -	\$ (5,241,067)	\$ -
(7,874,489)	-	(7,874,489)	-
(21,157,296)	-	(21,157,296)	-
(3,057,922)	-	(3,057,922)	-
(4,862,423)	-	(4,862,423)	-
72,001	-	72,001	-
210,491	-	210,491	-
(1,050,852)	-	(1,050,852)	-
(42,961,557)	-	(42,961,557)	-
-	(1,301,042)	(1,301,042)	-
-	1,848,725	1,848,725	-
-	547,683	547,683	-
(42,961,557)	547,683	(42,413,874)	-
-	-	-	(2,211,262)
-	-	-	(2,211,262)
22,339,071	-	22,339,071	3,736,439
26,390,752	-	26,390,752	-
757,806	-	757,806	124,136
147,722	11,577	159,299	2,961
620,076	189,360	809,436	43,457
18	-	18	-
50,255,445	200,937	50,456,382	3,906,993
7,293,888	748,620	8,042,508	1,695,731
235,987,047	99,963,518	335,950,565	15,168,750
\$ 243,280,935	\$ 100,712,138	\$ 343,993,073	\$ 16,864,481

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FUND FINANCIAL STATEMENTS

Pitkin County, Colorado
Balance Sheet
Governmental Funds
December 31, 2016

	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund
Assets			
Equity in pooled cash and investments	\$ 23,537,323	\$ 8,206,663	\$ 12,378,306
Receivables:			
Accounts	495,739	51,634	2,019
Property taxes	6,906,540	-	11,035,162
Sales and use taxes	3,601,664	2,599,489	-
Intergovernmental	1,327,750	-	500,000
Due from other funds	23,405	-	-
Inventories, prepaid items, and other assets	188,080	-	-
Equity in pooled cash and investments, restricted	21,869,285	-	-
Loans receivable	288,188	-	-
Total Assets	58,237,974	10,857,786	23,915,487
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	1,506,850	20,249	56,440
Accrued liabilities	438,164	-	7,988
Intergovernmental payable	2,189,003	2,427,359	274,116
Due to other funds	-	-	-
Funds held in trust	688,125	-	4,500
Unearned revenue	102,208	972,091	-
Total Liabilities	4,924,350	3,419,699	343,044
Deferred Inflows of Resources			
Unavailable property taxes	6,906,540	-	11,035,162
Total Deferred Inflows of Resources	6,906,540	-	11,035,162
Fund Balances			
Nonspendable	476,268	-	-
Restricted for:			
Statutory reserve	862,460	484,262	363,027
Debt service	-	-	-
State and Federal programs	465,133	-	-
Voter approved programs	-	6,953,825	12,174,254
Clerk's programs	186,657	-	-
Committed for:			
Programs established by BOCC resolution	312,769	-	-
Assigned for:			
Subsequent years expenditures	39,795,794	-	-
Unassigned	4,308,003	-	-
Total Fund Balances	46,407,084	7,438,087	12,537,281
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 58,237,974	\$ 10,857,786	\$ 23,915,487

The accompanying notes are an integral part of this statement.

Employee Housing Impact Fund	Total Non-major Governmental Funds	Total Governmental Funds
\$ 11,790,542	\$ 5,834,261	\$ 61,747,095
-	2,267	551,659
-	4,890,348	22,832,050
-	289,288	6,490,441
-	402,579	2,230,329
-	-	23,405
-	-	188,080
-	56,660	21,925,945
-	-	288,188
<u>11,790,542</u>	<u>11,475,403</u>	<u>116,277,192</u>
461	326,274	1,910,274
-	27,261	473,413
-	40,387	4,930,865
-	23,405	23,405
16,344	14,000	722,969
-	-	1,074,299
<u>16,805</u>	<u>431,327</u>	<u>9,135,225</u>
-	4,890,348	22,832,050
-	4,890,348	22,832,050
-	-	476,268
20,434	212,265	1,942,448
-	165,865	165,865
-	215,174	680,307
-	5,560,424	24,688,503
-	-	186,657
11,753,303	-	12,066,072
-	-	39,795,794
-	-	4,308,003
<u>11,773,737</u>	<u>6,153,728</u>	<u>84,309,917</u>
<u>\$ 11,790,542</u>	<u>\$ 11,475,403</u>	<u>\$ 116,277,192</u>

Pitkin County, Colorado
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
December 31, 2016

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

Total fund balance - governmental funds		\$ 84,309,917
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		205,240,942
Long-term liabilities and related deferred items are not due and payable in the current period and, therefore, are not reported in the funds. Long term liabilities and related items include:		
General obligation bonds and notes	\$ (14,090,000)	
Certificates of participation	(22,790,000)	
Sales tax revenue bonds	(6,480,000)	
Accrued interest payable	(147,500)	
Accrued compensated absences	(1,530,326)	
Claims payable	(893,790)	
Unamortized deferred debt refunding costs	405,972	
Unamortized debt issuance premium	(744,280)	
	<u>Net adjustment</u>	<u>(46,269,924)</u>
Total net position - governmental activities		<u>\$ 243,280,935</u>

The accompanying notes are an integral part of this statement.

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Pitkin County, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2016

	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund
Revenues			
Taxes	\$ 14,573,084	\$ 16,066,875	\$ 11,343,210
Intergovernmental	4,671,503	-	562,958
Licenses and permits	1,075,280	-	12,231
Charges for services	6,591,683	3	32,587
Fines and forfeitures	40,516	-	2,900
Investment earnings	246,704	75,187	131,267
Impact fees	91,559	-	-
Contributions and donations	39,066	-	233,786
Miscellaneous	350,632	-	15,761
Total Revenues	27,680,027	16,142,065	12,334,700
Expenditures			
Current			
General government	17,008,730	-	-
Public safety	13,754,667	-	-
Public works	2,689,676	15,757,363	-
Health and welfare	2,467,764	-	-
Housing	214,416	-	-
Culture and recreation	134,452	-	9,649,803
Debt Service			
Principal	-	-	715,000
Interest and fiscal charges	-	-	626,356
Bond issuance costs	-	-	65,450
Total Expenditures	36,269,705	15,757,363	11,056,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,589,678)	384,702	1,278,091
Other Financing Sources (Uses)			
Sale of capital assets	199,005	-	19,450
Issuance of debt	22,790,000	-	-
Refunding bond proceeds	-	-	12,370,000
Payment to debt refunding agent	-	-	(12,305,000)
Premium on bonds issued	742,188	-	-
Transfers in	803,031	-	744,000
Transfers out	(744,000)	-	-
Total Other Financing Sources (Uses)	23,790,224	-	828,450
Net Change in Fund Balances	15,200,546	384,702	2,106,541
Fund Balances Beginning of Year	31,206,538	7,053,385	10,430,740
Fund Balances End of Year	\$ 46,407,084	\$ 7,438,087	\$ 12,537,281

The accompanying notes are an integral part of this statement.

Employee Housing Impact Fund	Non- major Funds	Total Governmental Funds
\$ -	\$ 7,504,460	\$ 49,487,629
-	3,739,580	8,974,041
-	15,360	1,102,871
420	9,939	6,634,632
-	-	43,416
102,698	64,220	620,076
507,915	-	599,474
-	-	272,852
70,090	31,944	468,427
<u>681,123</u>	<u>11,365,503</u>	<u>68,203,418</u>
-	-	17,008,730
-	453,213	14,207,880
-	4,263,452	22,710,491
-	3,865,879	6,333,643
78,752	-	293,168
-	1,122,111	10,906,366
-	338,557	1,053,557
-	328,706	955,062
-	-	65,450
<u>78,752</u>	<u>10,371,918</u>	<u>73,534,347</u>
602,371	993,585	(5,330,929)
-	-	218,455
-	-	22,790,000
-	-	12,370,000
-	-	(12,305,000)
-	-	742,188
-	35,000	1,582,031
-	(838,031)	(1,582,031)
<u>-</u>	<u>(803,031)</u>	<u>23,815,643</u>
602,371	190,554	18,484,714
<u>11,171,366</u>	<u>5,963,174</u>	<u>65,825,203</u>
<u>\$ 11,773,737</u>	<u>\$ 6,153,728</u>	<u>\$ 84,309,917</u>

Pitkin County, Colorado
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Year Ended December 31, 2016

Net change in fund balances - total governmental funds	\$ 18,484,714
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period:

Capitalized expenditures	\$ 14,555,569	
Depreciation expense	(3,474,883)	
Net adjustment		11,080,686

The net effect of miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is a decrease to net position:	392,905
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal long-term debt consumes the current financial resources of governmental funds. However, neither transaction has any effect on net position. This is the effect of the difference in the treatment of the repayment of principal of long-term debt in the current year:

Refunding bonds issued	\$ (12,370,000)	
Certificates of participation issued	(22,790,000)	
Issuance premiums received	(742,188)	
Principal repayments	1,053,557	
Payment to refunding agent	12,305,000	
Net adjustment		(22,543,631)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Details of these items are as follows:

Change in accrued compensated absences	\$ (124,197)	
Change in accrued interest	(30,781)	
Change in claims payable	99,199	
Amortization of debt-related deferrals	(65,007)	
Net adjustment		(120,786)

Change in net position of governmental activities	\$ 7,293,888
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The accompanying notes are an integral part of this statement.

Proprietary Funds

Enterprise Funds

Enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses including depreciation and postclosure costs) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through use charges; or where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or change in net position is appropriate for capital maintenance, public policy, management control accountability, or other purposes. The County has two enterprise funds:

Airport Fund - The Airport Fund accounts for the activities of the County's airport

Solid Waste Center Fund – The Solid Waste Center Fund accounts for the County's landfill and recycling operations, including postclosure liabilities, which are primarily funded through site collections and the sale of recyclables.

Pitkin County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2016

Business-type Activities - Enterprise Funds			
	Airport	Solid Waste Center	Total
Assets:			
Current assets:			
Cash and investments	\$ 18,705,690	\$ 2,808,987	\$ 21,514,677
Receivables:			
Accounts	1,138,632	352,729	1,491,361
Intergovernmental	1,125,459	-	1,125,459
Inventory	-	379,850	379,850
Total current assets	<u>20,969,781</u>	<u>3,541,566</u>	<u>24,511,347</u>
Noncurrent assets:			
Equity in pooled cash and investments, restricted	-	3,345,357	3,345,357
Capital assets not being depreciated	10,854,235	182,273	11,036,508
Capital assets, net of depreciation	61,680,144	5,247,537	66,927,681
Total noncurrent assets	<u>72,534,379</u>	<u>8,775,167</u>	<u>81,309,546</u>
Total assets	<u>93,504,160</u>	<u>12,316,733</u>	<u>105,820,893</u>
Liabilities:			
Current liabilities:			
Accounts and claims payable	1,171,766	159,451	1,331,217
Accrued liabilities	38,940	13,582	52,522
Due to other governments	14,716	22,127	36,843
Unearned revenues	136,465	-	136,465
Deposits	29,301	-	29,301
Current portion of compensated absences	49,468	21,352	70,820
Total current liabilities	<u>1,440,656</u>	<u>216,512</u>	<u>1,657,168</u>
Noncurrent liabilities:			
Accrued compensated absences	74,201	32,029	106,230
Closure and post-closure costs	-	3,345,357	3,345,357
Total noncurrent liabilities	<u>74,201</u>	<u>3,377,386</u>	<u>3,451,587</u>
Total liabilities	<u>1,514,857</u>	<u>3,593,898</u>	<u>5,108,755</u>
Net position:			
Net investment in capital assets	72,534,379	5,429,810	77,964,189
Restricted for program purposes	19,454,924	-	19,454,924
Restricted for inventory	-	379,850	379,850
Unrestricted	-	2,913,175	2,913,175
Total net position	<u>\$ 91,989,303</u>	<u>\$ 8,722,835</u>	<u>\$ 100,712,138</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2016

Business-type Activities - Enterprise Funds			
	Airport	Solid Waste Center	Total
Operating revenues:			
Charges for services	\$ 4,127,180	\$ 6,141,320	\$ 10,268,500
Rents and franchises	4,554,172	-	4,554,172
Miscellaneous	78	-	78
Total operating revenues	<u>8,681,430</u>	<u>6,141,320</u>	<u>14,822,750</u>
Operating expenses:			
Salaries and benefits	2,945,880	1,216,390	4,162,270
Supplies	263,204	152,168	415,372
Purchased services	5,529,993	2,401,889	7,931,882
Landfill compliance costs	-	138,627	138,627
Depreciation	4,837,114	482,733	5,319,847
Total operating expenses	<u>13,576,191</u>	<u>4,391,807</u>	<u>17,967,998</u>
Operating income (loss)	<u>(4,894,761)</u>	<u>1,749,513</u>	<u>(3,145,248)</u>
Non-operating revenues (expenses):			
Investment income	147,274	42,085	189,359
Gain (loss) on disposition of assets	31,028	(19,451)	11,577
Federal and state grants received	1,996,975	-	1,996,975
Grants awarded	-	99,213	99,213
Total non-operating revenues (expenses)	<u>2,175,277</u>	<u>121,847</u>	<u>2,297,124</u>
Income (loss) before contributions and transfers	<u>(2,719,484)</u>	<u>1,871,360</u>	<u>(848,124)</u>
Capital contributions	<u>1,596,744</u>	<u>-</u>	<u>1,596,744</u>
Change in net position	<u>(1,122,740)</u>	<u>1,871,360</u>	<u>748,620</u>
Net position - beginning (as restated)	<u>93,112,043</u>	<u>6,851,475</u>	<u>99,963,518</u>
Net position - ending	<u>\$ 91,989,303</u>	<u>\$ 8,722,835</u>	<u>\$ 100,712,138</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
Cash flows from operating activities:			
Cash received from customers	\$ 8,937,738	\$ 6,446,846	\$ 15,384,584
Cash payments to employees	(2,939,961)	(1,205,255)	(4,145,216)
Cash payments to suppliers	(5,214,802)	(2,602,206)	(7,817,008)
Net cash provided (used) by operating activities	782,975	2,639,385	3,422,360
Cash flows from noncapital financing activities:			
Grant proceeds received	1,925,755	-	1,925,755
Net cash provided (used) by noncapital financing activities	1,925,755	-	1,925,755
Cash flows from capital and related financing activities:			
Proceeds from sale of assets	50,925	354	51,279
Proceeds from grant awards	1,057,247	99,213	1,156,460
Capital acquisitions	(595,783)	(416,368)	(1,012,151)
Net cash provided (used) by capital and related financing activities	512,389	(316,801)	195,588
Cash flows from investing activities:			
Interest received	147,274	42,085	189,359
Net cash provided (used) by investing activities	147,274	42,085	189,359
Net change in cash and cash equivalents	3,368,393	2,364,669	5,733,062
Cash and cash equivalents - beginning of year	15,337,297	3,789,675	19,126,972
Cash and cash equivalents - ending	<u>\$ 18,705,690</u>	<u>\$ 6,154,344</u>	<u>\$ 24,860,034</u>
Cash and cash equivalents are reported as:			
Cash and cash equivalents	\$ 18,705,690	\$ 2,808,987	\$ 21,514,677
Cash and cash equivalents - restricted	-	3,345,357	3,345,357
Cash and cash equivalents - ending	<u>\$ 18,705,690</u>	<u>\$ 6,154,344</u>	<u>\$ 24,860,034</u>

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Cash Flows (continued)
Proprietary Funds
For the Year Ended December 31, 2016

	Business-type Activities - Enterprise Funds		
	Airport	Solid Waste Center	Total
<u>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</u>			
Operating income (loss)	\$ (4,894,761)	\$ 1,749,513	\$ (3,145,248)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation and amortization	4,837,114	482,733	5,319,847
(Increase) decrease in accounts receivable	181,853	305,526	487,379
(Increase) decrease in inventory	-	70,642	70,642
Increase (decrease) in allowance	-	(6,577)	(6,577)
Increase (decrease) in accounts payable	590,772	(112,214)	478,558
Increase (decrease) in retainage payable	(12,375)	-	(12,375)
Increase (decrease) in compliance costs	-	138,627	138,627
Increase (decrease) in deposits	5,723	-	5,723
Increase (decrease) in unearned revenues	68,730	-	68,730
Increase (decrease) in accrued expenses	5,919	11,135	17,054
Total adjustments	<u>5,677,736</u>	<u>889,872</u>	<u>6,567,608</u>
Net cash provided (used) by operating activities	<u>\$ 782,975</u>	<u>\$ 2,639,385</u>	<u>\$ 3,422,360</u>
Noncash capital and related financing activities:			
PFCs in receivables	49,352	-	49,352

The accompanying notes are an integral part of this statement.

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Fiduciary Funds

Agency Funds

Agency Funds account for assets held by the County as an agency of individuals, private organizations and/or other governments.

County Clearing Funds – These funds are used to temporarily hold property tax and other collections until the proper allocation to other governmental units, funds or individuals can be determined.

Taxing Districts – The County treasurer collects property taxes for all of the taxing entities in the County. These transactions are accounted for in separate agency funds for each district, but are combined for financial reporting purposes.

Other Agencies – The County finance department acts as trustee for the Aspen/Pitkin County Housing Authority Mortgage Revenue notes, and also is trustee for the Pitkin County Regional Emergency Telephone Authority.

Other Clearing Funds – This category includes accounts used to account for transactions of the County treasurer as paying agent for Aspen Valley Hospital bonds and a fund used to account for activities of the Roaring Fork Transportation Authority.

Pitkin County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2016

	Retirement Trust	Agency Funds
Assets		
Equity in pooled cash and investments	\$ 136,209	\$ 2,432,417
Other cash and investments:		
Mutual funds	30,397,800	-
Receivables:		
Forfeitures	2,005	-
Employee retirement loans	639,055	-
Total Assets	<u>31,175,069</u>	<u>\$ 2,432,417</u>
Liabilities		
Accounts payable	240,279	-
Due to other governments	-	722,299
Funds held for others	-	1,710,118
Total Liabilities	<u>240,279</u>	<u>\$ 2,432,417</u>
Net Position		
Net position restricted for pensions	<u>\$ 30,934,790</u>	

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Changes in Fiduciary Net Position
Retirement Trust Fund
For the Year Ended December 31, 2016

Additions	
Employer contributions	\$ 2,444,223
Investment income:	
Dividends and interest	<u>2,070,666</u>
Total Additions	<u>4,514,889</u>
Deductions	
Benefits to plan members	675,026
Administrative expenses	<u>30,686</u>
Total Deductions	<u>705,712</u>
Change in Net Position	3,809,177
Net Position Beginning of Year	<u>27,125,613</u>
Net Position End of Year	<u><u>\$ 30,934,790</u></u>

The accompanying notes are an integral part of this statement.

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Component Units

Component units are legally separate organizations for which the County is financially accountable.

Pitkin County Library District – The Pitkin County Library District is responsible for providing public library services to the citizens of the County. The Pitkin County Library District collects property taxes to support its services.

Pitkin County, Colorado
Balance Sheet
Discretely Presented Component Unit
December 31, 2016

	Pitkin County Library District
Assets:	
Equity in pooled cash and investments	\$ 1,571,708
Other cash and investments	13,985
Receivables:	
Accounts	1,119
Property taxes	3,898,984
Total Assets	5,485,796
Liabilities	
Accounts payable	54,876
Accrued liabilities	12,634
Intergovernmental payable	53
Total Liabilities	67,563
Deferred Inflows of Resources:	
Unavailable property taxes	3,898,984
Fund Balance	
Restricted for:	
Statutory reserve	118,087
Voter approved programs	1,283,136
Unassigned	118,025
Total Fund Balance	\$ 1,519,248

The accompanying notes are an integral part of this statement.

Pitkin County, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balance
with Reconciliation to the Statement of Net Position
Discretely Presented Component Unit
For the Year Ended December 31, 2016

	Pitkin County Library District
Revenues	
Taxes	3,860,575
Intergovernmental	5,281
Charges for services	8,559
Fines	18,368
Investment earnings	43,458
Contributions	<u>2,360,714</u>
Total Revenues	<u>6,296,955</u>
Expenditures	
Culture and recreation	<u>9,753,589</u>
Total Expenditures	<u>9,753,589</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,456,634)
Other Financing Sources (Uses)	
Sale of capital assets	<u>2,961</u>
Total Other Financing Sources (Uses)	<u>2,961</u>
Net Change in Fund Balance	(3,453,673)
Fund Balance Beginning of Year	<u>4,972,921</u>
Fund Balance End of Year	<u><u>\$ 1,519,248</u></u>

Reconciliation to Statement of Net Position:

Capital outlays are reported as expenditures, however in the Statement of Activities the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which the cost of capital assets exceeded depreciation expense for the year:

Accumulated depreciation	(3,317,068)
Cost of capital assets	<u>18,780,326</u>
	15,463,258
Compensated absences	<u>(118,025)</u>
Total Net Position	<u><u>\$ 16,864,481</u></u>

The accompanying notes are an integral part of this statement.

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NOTES TO THE FINANCIALS

I. Summary of Significant Account Policies

Pitkin County, Colorado (the "County") is located approximately 210 miles west of Denver and 120 miles east of Grand Junction in the Colorado Rocky Mountains. The County encompasses 973 square miles, of which approximately 80% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is approximately 17,000. Tourism is the primary factor in the County's economy, which is noted for such resort communities as the City of Aspen and Town of Snowmass Village.

Pitkin County was formed in 1881 and subsequently became a home rule county on July 1, 1978. The governing body of the County is the five-member Board of County Commissioners ("the BOCC"). The County provides the following services directly; general administration, sheriff, jail, coroner, roads and bridges, solid waste landfill and recycling center, airport, TV and FM translators, social and health services, trails and open space and affordable housing. The County provides several additional services through other governmental organizations that are excluded or included in the report according to the reporting entity criteria.

The County's financial statements are prepared in accordance with generally accepted accounting principles ("GAAP"). The Governmental Accounting Standards Board ("GASB") is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations). The most significant policies established by GAAP and used by the County are discussed below.

A. Financial Reporting Entity

The reporting entity is comprised of (a) the primary government, i.e., the County; and (b) organizations for which the County is financially accountable. The County is considered to be financially accountable for a legally separate organization if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The primary government of the County consists of all departments, boards, agencies and funds that are not legally separate from the County. For the County, this entity includes certain elected officials (e.g., the sheriff, assessor and clerk and recorder). Consideration is also given to other organizations that are fiscally dependent i.e., unable to adopt a budget, levy tax, or issue debt with approval by the County. Organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete are also included in the reporting entity.

The accompanying financial statements present the primary government and its component units, entities for which the government is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the County's operations. Separate financial statements are not prepared for the blended component units. The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize that they are legally separate from the County. Each component unit has a fiscal year end of December 31.

I. Summary of Significant Account Policies (continued)

A. Financial Reporting Entity (continued)

Blended Component Units

The ***Pitkin County Ambulance District*** (the “District”) exists by virtue of the Pitkin County Home Rule Charter and is governed by the BOCC. The County manages the activities of the District in essentially the same manner as it manages its own activities. The District levies property taxes annually and serves the majority of citizens of the County. The operations of the District are reported as a special revenue fund and in governmental activities in the government-wide financial statements. The District’s capital assets are reported in the governmental activities column on the government-wide statement of net position.

The ***Redstone Ranch Acres Improvement District*** and the ***Twining Flats Improvement District*** were formed upon presentation of a petition of the citizens by the proposed district to the BOCC under the authorization of Colorado Revised Statutes. After formation, an election was held to approve an annual property tax levy on the properties in the respective district to fund capital improvement or ongoing maintenance, or both, for the roads within the district. The BOCC acts as the governing board and issues debt for each district. They are reported as special revenue funds and included in the governmental activities column of the government-wide financial statements.

The ***Pitkin County Public Employees Retirement Plan*** (“PCPERP”) functions for the benefit of the County’s employees. PCPERP is governed by a five-member board which consists of the County Treasurer, two employees elected by the participants, and two citizens appointed by the BOCC. PCPERP is reported as a pension trust fund.

Discretely Presented Component Units

The ***Pitkin County Library District*** (the “Library District”) is governed by a 7-member board that is appointed by the BOCC. The BOCC is responsible for the oversight of the day-to-day operations, approves the Library District’s budget, tax levy and any debt issuances. Management of the County has operational responsibility for the Library District. Although the Library District does not issue separate financial statements, the Library District is a single fund entity and all detailed financial data for the Library District is presented in the basic financial statements of the County. The budget is prepared using a modified accrual basis as described in Note I.D.2.

I. Summary of Significant Account Policies (continued)

A. Financial Reporting Entity (continued)

Jointly Governed Organizations

The Aspen-Pitkin County Housing Authority ("Housing Authority") was formed in 1982 to management and construct projects that are deed restricted as to the amount rent charged or amount of appreciation on privately owned units. The Housing Authority is governed by a seven-member board of directors. The County and the City of Aspen each appoint three directors and one director is appointed jointly. The Housing Authority's board reports to both the BOCC and the City of Aspen's Council; the County and City of Aspen share net operating expenses equally, and the County and the City of Aspen significantly and equally influence the operations budget. For the year ended December 31, 2016, the County's proportionate share of the 2016 net operating expenses totaled \$214,300; reported within the County's General Fund.

The complete audited financial statements for the Aspen-Pitkin County Housing Authority may be obtained from the County's finance department.

B. Government-wide and Fund Financial Statements

The County's basic financial statements include both government-wide (reporting the County as a whole) and fund financial statements (reporting the County's major funds). Government-wide financial statements report information on all activities of the County and its component units, with the exception of fiduciary activities. Both government-wide and fund financial statements categorize primary activities as either governmental or business-type. The County's public safety, public works, health and welfare, culture and recreation, conservation of natural resources, housing and development, and general government functions are classified as governmental activities. The airport and solid waste center operations are classified as business-type activities. The activities of the pension trust fund are not included in the government wide statements.

The government-wide Statement of Activities reports both the gross and net cost of each of the County's governmental functions and business-type activities. The governmental functions are also supported by general government revenues (property taxes, specific ownership taxes, sales taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants.

Program revenues must be directly associated with the governmental function or business-type activity. Operating grants include operating -specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The government-wide focus is on the sustainability of the County as an entity and the change in the County's net position resulting from the current year's operations.

I. Summary of Significant Account Policies (continued)

C. Fund Financial Statements

The financial transactions of the County are reported in individual fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise assets, liabilities, fund equity, revenues and expenditures/expenses.

The fund focus is on current available resources and budgetary and legal compliance.

The County reports the following major governmental funds:

The **General Fund** accounts for all financial resources except those required to be accounted for in another fund. The General Fund's fund balance is available to the County for any purpose provided it is expended or transferred according to the general laws of the County's Home Rule Charter and the State of Colorado.

The **Transportation Sales and Use Tax Fund** accounts for the 1-cent sales tax that is passed through the County for public mass transportation and the ½-cent sales and use tax that provides funding to enhance and improve the transportation system (roads and public transit).

The **Open Space and Trails Fund** accounts for a dedicated property tax, which supports acquisition, improvement and management of open space and trails program. A 2.5 mill levy was approved in 1990 and the voters reauthorized a levy of 3.75 mills in 1999.

The **Employee Housing Impact Fund** accounts for impact fees collected on certain developments to mitigate impacts caused by development and land use. The impact fee was implemented in 2005 by the BOCC and is used to benefit properties managed and controlled by the County or the Aspen/Pitkin County Housing Authority. The impact fee replaced a payment-in-lieu fee established in 1988.

The County reports the following proprietary or business-type funds:

The **Airport Fund** accounts for operating and capital improvement of the Aspen-Pitkin County Airport.

The **Solid Waste Center Fund** accounts for the County's landfill and recycling operations, including post-closure liabilities, which are primarily funded by site collections and the sale of recyclables.

I. Summary of Significant Account Policies (continued)

C. Fund Financial Statements (continued)

Additionally, the County reported the following fund types:

Agency Funds account for monies held on behalf of other governments and agencies that use the County as a depository; for property taxes collected on behalf of the other governments or agencies; and for other assets held by the County that are custodial in nature. The County's agency funds include Treasurer's and Clerk's clearing funds, Housing funds, and the Treasurer's tax distribution funds. Agency funds are excluded from reporting in the government-wide financial statements. Budgets are not adopted for the County's agency funds.

The County's **Trust Fund** is used to account for the accumulation of resources and for assets held for qualified County employees in accordance with the Pitkin County's Public Employees Retirement Plan. A budget is not adopted for the County's retirement trust fund and its activity is not included in the government wide financial statements.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Measurement focus refers to whether financial statements measure changes in current resources only (current financial focus) or changes in both current and long-term resources (long-term economic focus). Basis of accounting refers to the point at which revenues, expenditures, or expenses are recognized in the accounts and reported in the financial statements. Financial statement presentation refers to classification of revenues by source, and expenditures or expenses by function.

1. Long-term Economic Focus and Accrual Basis

Both the governmental and business-type activities in the government-wide financial statements and the proprietary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flow.

2. Current Financial Focus and Modified Accrual Basis

The government fund financial statements use the current financial focus and are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, only current assets and current liabilities generally are included on the balance sheet. Revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or soon enough thereafter (60 days) to be used to pay liabilities of the current period. Expenditures are generally recognized when the related liability is incurred. The exception to this rule is that principal and interest on long-term debt and compensated absences are recorded only when payment is due.

I. Summary of Significant Account Policies (continued)

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

2. Current Financial Focus and Modified Accrual Basis (continued)

Accounts receivable that will not be collected within the available period are reported as unearned revenue (i.e., they are measurable but not available) rather than as revenue. Grants and entitlements received before the eligibility requirements are met (e.g., cash advances) also are recorded as unearned revenue.

Property taxes, sales and use taxes, franchise taxes, charges for services, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues in the current fiscal period. Expenditure driven grants are recognized as revenue when qualified expenditures have been incurred and all other grant requirements have been met. All other revenue items are considered to be measurable and available only when cash is received by the County.

3. Financial Statement Presentation

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to the general rule are payments where the amounts are reasonably equivalent to the value of the interfund services provided and other charges between the County's airport and solid waste center functions and various other functions of the County. Elimination of these charges would distort direct costs and program revenues for the airport and solid waste center functions.

Amounts reported as program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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 connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise funds are operation of the County's air terminal and solid waste center. Operating expenses for the enterprise funds include operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts

1. Cash, Cash Equivalents, and Investments

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the County. For the purpose of reporting cash flows, cash and cash equivalents are considered to be cash on hand, demand deposits and equity in pooled cash and investments of the County Treasurer.

The County has adopted a formal investment policy to manage its interest rate risk, credit risk and concentration of credit risk. The following is a summary of relevant guidelines from the policy:

Eligible Investments

- U.S. Treasury obligations - U.S. Treasury bills, notes and bonds and other securities backed by the full faith and credit of the federal government.
- U.S. Agencies and Instrumentalities and securities as authorized by Colorado Revised Statutes (CRS) 24-75-601.1 (1) (a) and (b).
- Time certificates of deposit in state banks or national banks or in state or federally chartered savings and loan associations located in Colorado which are insured by the Federal Deposit Insurance Corporation and which are approved as public fund depositories by the State of Colorado Banking Commissioner or Savings and Loan Commissioner. Depositories must be rated "3 stars" or more (on a scale of 0 to 5 stars, with 5 the highest) by Bauer Financial or an equivalent rating agency.
- Demand deposit accounts in state banks or national banks located in Colorado which are insured by the Federal Deposit Insurance Corporation and which are approved as public fund depositories by the State of Colorado Banking Commissioner. Depositories must be rated "3 stars" or more (on a scale of 0- 5 stars, with 5 being the highest) by Bauer Financial or an equivalent rating agency.
- Shares of any local government investment pool established under the provisions of CRS 24-75-701.
- Money market mutual funds authorized under CRS 24-75-601.1 (1) (k).

Diversification

With the exception of U.S. Treasury obligations:

- No more than 60% of the total portfolio shall be invested in any single category of investment.
- Certificates of deposits in any institution shall not exceed twenty (20) percent of the total portfolio.
- The County's primary depository account may hold up to 75% of the total portfolio if the primary depository is rated "4" or more (on a scale of 1 to 5 with 5 the highest) by Bauer Financial or an equivalent rating agency and the rating is monitored quarterly.
- The maximum amount invested in any single local government investment pool or money market mutual fund shall not exceed 25% of the total portfolio.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

1. Cash, Cash Equivalents, and Investments (continued)

Maturity

- Investment maturities shall be based on the liquidity needs of the County and the exposure to market risk. At least 10% of the portfolio shall be invested as a liquidity buffer in overnight instruments, depository accounts, money market mutual funds, local government investment pools, or marketable securities with less than a one-year maturity.
- The term of investments in the current portion of the portfolio shall not exceed thirteen (13) months.
- The term of investments in the non-current portion of the portfolio shall not exceed three (3) years with no more than 50% being invested in maturities exceeding two years at the time of investment. Any investment with a maturity exceeding three years shall require specific approval from the Board of County Commissioners.

Investments are stated at fair value. The change in fair value of investments is recognized as an increase or decrease to investment and as investment income earnings.

Investment Policies

Pitkin County Public Employees' Retirement Plan and the Library District generally follow the County investment policies with the exception of the following expanded investment options:

Retirement Plan - The objective of the PCPERP's investment policy is to establish an investment structure that will meet a broad range and diverse set of current and projected financial needs of the Plan's participants. The policy outlines fiduciary responsibility, prudence and due diligence requirements that experienced fund managers and other fiduciaries would utilize, and with all applicable laws, rules and regulations, that may impact plan assets. Accordingly, the policy allows for the design of various investment options into an overall structure that will include various asset classes, investment management styles and asset allocation portfolios in order that, when viewed as a whole, the investment options are expected to allow a participant to achieve a sufficient level of overall diversification and total investment return over the long-term.

Additionally, investment instruments are monitored and evaluated for both performance and management by the retirement board on a regular basis. Changes to investment options are made according to the criteria set out in this policy. Wells Fargo Bank acts as trustee for the assets of the plan. Participants have the option of self-directing investments in eligible mutual funds or selecting from five model portfolios based on the participants' age and risk tolerance. The model portfolios are comprised of bond, equity, real estate and commodity mutual funds with equity allocations ranging from 12% to 81% depending on the model.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

1. Cash, Cash Equivalents, and Investments (continued)

Investment Policies (continued)

Library District - The Library District manages a pool of donations designated for future capital expansion of its facility. The investments managed under this policy are authorized under the provisions of the Uniform Management of Institutional Funds Act, C.R.S. 15-1.1-101 et seq. The Library District uses mutual fund selections of the PCPERP.

2. Restricted Assets

Certain proceeds from the issuance of bonds, along with other resources, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants. Bond accounts are used to segregate resources accumulated for debt service payments for the next twelve months. Reserve accounts are used to report resources set aside to make up potential future deficiencies in the bond account. Project accounts are used to segregate resources for specific projects.

The general obligation bonds require a project account. The sales tax revenue bonds require a bond account, a reserve account and a project account.

3. Receivables

All property tax and other receivables are reported net of an allowance for uncollectible accounts, where applicable.

Noncurrent receivables in governmental funds consist primarily of housing loans that are generally not expected or scheduled to be collected in the subsequent year, although payment has started on several of the loans.

4. Inventories

Enterprise fund inventories consist of materials. These inventories are valued at cost using the first-in, first-out method. There are no inventories in governmental funds.

5. Prepaid Items

Payments to vendors that reflect costs applicable to future accounting periods are recorded as prepaid items in both government-wide and fund financial statements.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

6. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The County maintains a capitalization threshold on non-infrastructure assets of \$5,000 and \$50,000 for infrastructure. The County's infrastructure consists of roads, bridges and airport runways. Improvements to capital assets are capitalized. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed. Interest incurred during the construction of capital assets utilized by the enterprise fund is capitalized. All reported capital assets are depreciated except for land, right-of-ways and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the County's historical records of necessary improvements and replacement.

Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities	Business-type Activities
	Estimated Lives	Estimated Lives
Improvements other than buildings	3 - 25 years	3 - 25 years
Buildings	7 - 75 years	5 - 40 years
Machinery and equipment	3 - 30 years	3 - 25 years
Library collections	5 years	--
Infrastructure	10 - 100 years	--

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

7. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. Employees earn twenty-two (22) days of vacation leave annually up to five (5) years of service and twenty-eight (28) days thereafter. Vacation leave accrual includes paid holidays. At termination, employees are paid for any accumulated vacation leave.

Employees earn one day of sick leave per month with no maximum accumulation. At termination, employees are paid for one-third of their accumulated sick leave in excess of 80 hours and up to 480 hours. Sick leave benefits are accrued as a liability using the termination payment method. An accrual for earned sick leave is made to the extent that it is probable that the benefits will result in termination payments. The liability is based on the County's past experience of making termination payments.

All compensated absence liabilities include salary-related payments, where applicable.

The total compensated absence liability is reported on the government-wide financial statements. Proprietary funds report the total compensated liability in each individual fund at the fund reporting level. Governmental funds report the compensated absence liability at the fund reporting level only "when due."

8. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of these funds. However, compensated absences and claims that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are "due for payment" during the current year. Bonds and capital leases are recognized as a liability in the governmental fund financial statements when due.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

9. Bond Premiums and Discounts

On the government-wide and proprietary fund type financial statements, bond premiums and discounts are deferred and amortized over the life of the underlying bonds, using the straight-line method, which approximates the effective interest method. The unamortized portion of the bond premiums and discounts is netted against bonds payable for presentation on the government-wide and proprietary fund statement of net position.

At governmental fund reporting level, bond premiums and discounts are reported as other financing sources and uses, separately from the face amount of the bonds issued. Bond issuance costs are reported as expenditures/expenses when incurred.

10. Deferred Outflows and Inflows of Resources

A deferred outflow of resources is a consumption of net assets by the government that is applicable to a future reporting period. The County has one type of deferred outflow: deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

A deferred inflow of resources is an acquisition of net assets by the government that is applicable to a future reporting period and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one item that qualifies for reporting in this category, unavailable revenues from property taxes, reported in the governmental balance sheet and on the Statement of Net Position. These amounts are deferred and recognized as an inflow from resources in the period that the amounts become available.

11. Fund Equity

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

Fund Balance - The following classifications describe the relative strength of the spending constraints:

- Nonspendable fund balance - amounts that are not in spendable form (such as inventory) or are required to be maintained intact.
- Restricted fund balance - amounts constrained to specific purposes by external providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, by enabling legislation or voter approval.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

11. Fund Equity (continued)

- Committed fund balance - amounts constrained to specific purposes by the County itself, using its highest level of decision-making authority (i.e., the BOCC). To be reported as committed, amounts cannot be used for any other purpose unless the County takes the same highest level action to remove or change the constraint.
- Assigned fund balance - amounts the County intends to use for a specific purpose. Intent can be expressed by the BOCC.
- Unassigned fund balance - amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

The BOCC establishes (and modifies or rescinds) fund balance appropriations by passage of a resolution. This is typically done through adoption and amendment of the budget. Assigned fund balance is established by BOCC through adoption or amendment of the budget as intended for specific purpose (such as the purchase of capital assets, construction, debt service, or for other purposes). The County's policy is that if both restricted and unrestricted amounts are available for expenditure, the restricted amount is spent first. Likewise, if any unrestricted amount is available for expenditure, the committed amount is spent first if allowable, before assigned or unassigned amounts are spent.

In the General Fund, the County strives to maintain an assigned fund balance to be used for unanticipated emergencies and working capital of approximately \$4.4 million, including the TABOR Emergency Reserve requirement specified by the Colorado constitution.

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

The County applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

I. Summary of Significant Account Policies (continued)

E. Financial Statement Accounts (continued)

12. Encumbrances

The County uses encumbrance accounting as an extension of its budgetary scheme. Encumbrances are recorded when a purchase order or contract is issued. They are reduced when the related expenditure/expense is made. Encumbrances lapse at year-end but may be reestablished in the subsequent year if the budget related to the encumbrance is approved by the Board of County Commissioners to be re-appropriated to the subsequent year.

13. Contributions of Capital

Contributions of capital in proprietary fund financial statements arise from internal and external contributions of capital assets or from grants or outside contributions of resources restricted to capital acquisition and construction.

14. Interfund Transactions

Interfund services provided and used are accounted for as revenues, expenditures, or expenses. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as "due from other fund" or "due to other funds" on the balance sheet when they are expected to be liquidated within one year. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". If the receivable or payable is not expected to be liquidated after one year, it is classified as "advances to other funds", or "advances from other funds."

F. Significant Account Policies

1. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the County's management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

2. Credit Risk

Receivables in the County's funds are primarily due from other governments. Management believed that the credit risk related to these receivables is minimal.

II. Stewardship, Compliance, and Accountability

A. Budgetary Information

Annual appropriated expenditure budgets are adopted for all governmental funds on a basis consistent with generally accepted accounting principles. Annual appropriation budgets are also adopted for all proprietary funds on a non-GAAP budget basis.

The County followed these procedures in preparing, approving, and enacting its budget for 2016:

- 1.) In October of each year, a proposed operating budget is submitted to the BOCC for the fiscal year commencing the following January 1. The operating budget includes proposed expenditures and the means of financing them. The Financial Advisory Board, budget team and section leaders all provide input to the proposed budget.
- 2.) Public hearings are conducted by the County to obtain taxpayer comments.
- 3.) Prior to December 31, the budget is legally adopted at the fund level through passage of a resolution for all County funds, except the fiduciary fund types. Expenditures may not legally exceed appropriations at the fund level.
- 4.) Any revisions that increase the expenditure of any fund in total must be approved by the BOCC by passage of a resolution.
- 5.) Budgeted amounts are as originally adopted or as amended by the BOCC. All appropriations lapse at year-end. Several supplemental appropriations were adopted in 2016 by the BOCC.

The details of the budget calendar follow:

December 15 Statutory deadline for adoption of the budget

December 22 Statutory deadline for BOCC to certify all mill levies

Property taxes are not due and payable until after the assessment year has ended, and are not included in the budget or statement of revenues, expenditures, and fund balance of the assessment year.

Property taxes are recorded as deferred inflows from resources in the year that they are levied and measurable. They are recorded as revenue in the year they are available or collected.

II. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

Supplemental appropriations for the primary government during 2016 resulted in budget amendments as follows:

<u>Fund</u>	<u>Original Amount</u>	<u>Final Amount</u>
<u><i>Governmental Activities:</i></u>		
General Fund	\$ 48,392,949	\$ 63,296,135
Special revenue funds:		
Open Space and Trails	5,480,414	28,788,395
Transportation Sales and Use Tax	15,005,302	16,293,600
Road and Bridge	2,818,746	2,863,946
Social Services	2,177,870	2,606,478
Translator Fund	1,273,770	2,826,313
Healthy Community	2,246,348	2,328,888
Healthy Rivers and Streams	1,494,944	2,397,944
Ambulance District	1,067,401	1,411,212
Redstone Ranch Acres Improvement District	7,479	15,479
<u><i>Business-type Activities:</i></u>		
Airport	8,365,517	16,450,007
Solid Waste Center	3,847,778	4,699,055

Expenditures in the County's Road and Bridge Fund, Conservation Trust Fund and Transit Sales Tax Revenue Bonds Fund exceeded their respective budgets, which may be a violation of State statutes.

B. TABOR Amendment

In November 1992, Colorado voters amended Article X of the Colorado Constitution by adding Section 20, commonly known as the Taxpayer's Bill of Rights ("TABOR"). TABOR contained revenue, spending, tax and debt limitations that apply to the State of Colorado and local governments. TABOR requires, with certain exceptions, advance voter approval for any new tax, tax rate increase, mill levy above that for the prior year, extension of any expiring tax, or tax policy change directly causing a net tax revenue gain to any local government.

Except for refinancing bonded debt at a lower interest rate or adding new employees to existing pension plans, TABOR requires advance voter approval for creation of any multiple-fiscal year debt or other financial obligation unless adequate present cash reserves are pledged irrevocably and held for payments in all future fiscal years.

TABOR also requires local governments to establish an emergency reserve to be used for declared emergencies only. Emergencies, as defined by TABOR, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. The reserve is calculated at 3% of fiscal year spending for fiscal years ending after December 31, 1995. Fiscal year spending excludes bonded debt service and enterprise spending.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

II. Stewardship, Compliance, and Accountability (continued)

B. TABOR Amendment (continued)

At December 31, 2016, the following fund balances have been restricted to meet the approximate required TABOR reserve:

General Fund	\$ 862,460
Open Space and Trails	363,027
Transportation Sales and Use Tax	484,262
Employee Housing Impact	20,434
Social Services	51,726
Translator Fund	29,702
Healthy Community Fund	66,857
Healthy Rivers and Streams	31,270
Ambulance District	31,842
Redstone Ranch Acres Improvement District	301
Twining Flats Improvement District	567
Total Primary Government	<u>1,942,448</u>
Library District	<u>118,087</u>
Total Reporting Entity	<u><u>\$ 2,060,535</u></u>

Pitkin County voters have approved ballot questions to exempt the County and Library District from the revenue limitations of the TABOR amendment.

III. Detailed Notes on All Funds

A. Cash and Investments

The County Treasurer pools cash and investments that are available for use by each of the County's Governmental, Proprietary and Agency funds as well as on behalf of other governmental entities and agencies. Additionally, several of the County's funds hold restricted and unrestricted cash balances. Cash and investments held by the County Treasurer at December 31, 2016, consisted of the following:

Cash on hand	\$ 8,725
Deposits	5,720,843
Investments	88,342,129
Pools	<u>49,013,496</u>
Total	<u><u>\$ 143,085,193</u></u>

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Colorado Statutes require the County to make deposits in eligible public depositories as defined by the Colorado Public Deposit Protection Act of 1989 ("PDPA"). The PDPA specify eligible depositories for public cash deposits, which must be Colorado institutions and must maintain federal insurance ("FDIC") on deposits held. Each eligible depository in excess of the insured levels must pledge a collateral pool of defined eligible assets maintained by another institution or held in trust for all of its local government depositors as a group with a market value equal to at least 102 percent of the uninsured deposits.

The PDPA also allows financial institutions to purchase a fidelity bond to provide protection for public monies. The State Regulatory Commission 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. The County had bank deposits of \$6,687,255 at December 31, 2016. Of this balance, \$1,023,837 is covered by depositor's insurance, and the remaining \$5,663,418 is collateralized with securities held by the pledging financial institution's trust department or agent in the County's name, or in a pledged collateral pool.

A difference of \$966,412 exists between bank deposit balances and book balances, due primarily to deposits in transit and/or outstanding checks at December 31, 2016.

At December 31, 2016, the County held the following investments:

	S&P/ Moody's Rating	Carrying Amounts	Investment Maturities (in years)	
			Less Than 1	1 - 3
U.S. Agencies and Instrumentalities	AA+/Aaa	\$ 4,292,393	\$ 2,553,190	\$ 1,739,203
Local Government Investment Pools	AAAm	49,013,496	49,013,496	-
Mutual Funds	AAAm	30,431,136	30,431,136	-
Certificates of deposit	N/A	53,618,600	22,285,381	31,333,219
Total		<u>\$ 137,355,625</u>	<u>\$ 81,997,822</u>	<u>\$ 1,739,203</u>

Interest Rate Risk – is the risk that changes in interest rates will adversely affect fair market values. The County's policy with respect to the maturity of its investments is disclosed in Note I.E.1.

Custodial Risk – is the risk that, in the event of the counterparty's failure, the County will not be able to recover the value of its investments that are in the possession of an outside party. To minimize this risk, the County requires SIPC and supplemental insurance coverage of investments held in the County's accounts at brokerage dealers. Also, the County only maintains accounts with primary dealers, i.e., securities broker-dealers and banks that trade U.S. government securities with the Federal Reserve Bank of New York.

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Concentration of Credit Risk – is the risk of loss attributable to the concentration of the County’s investments in a single issuer. At December 31, 2016, five percent (5%) or more of the County’s investments were in the following issuers:

<u>Issuer:</u>		
Colotrust	\$ 26,643,537	19.40%
C-Safe	22,365,472	16.28%

Local Government Investment Pools – At December 31, 2016, the County had \$49,013,496 invested in the Colorado Government Liquid Asset Trust (“COLOTRUST”), Colorado Statewide Investment Program (“CSIP”) and CSAFE. These are investment vehicles established by State statute for local government entities in Colorado to pool surplus funds for investment purposes, and are registered with the State Securities Commissioner. They operate similar to money market funds and each share is equal in value to \$1. Investments consist of U.S. Treasury and U.S. Agency securities, and repurchase agreements collateralized by U.S. Treasury and U.S. Agency securities. The County has no regulatory oversight for the pools.

Restricted Cash and Investments

At December 31, 2016, the County held restricted funds of \$56,660 in the Transit Debt Service Fund to be used toward the payment of principal and interest payments associated with the County’s 2010 Sales Tax Revenue Bonds outstanding.

At December 31, 2016, the General Fund held \$21,869,285 of unspent proceeds from the issuance of 2016 Certificates of Participation, as described in Note III.G.6., to be used for remodeling and construction of capital assets.

The Solid Waste Center Fund had restricted cash and cash equivalents in the amount of \$3,345,357 to fund estimated costs to close the landfill and provide 30 years of post-closure care.

Other Cash and Investments

At December 31, 2016, the County’s pension trust fund’s investments included \$30,397,800 of mutual funds held by its third-party trustee, Wells Fargo.

The Pitkin County Library District, a component unit of the County, had mutual funds totaling \$13,985 held in accounts with various mutual fund companies at Charles Schwab and Co., Inc. At December 31, 2016, five percent (5%) or more of the Pitkin County Library District’s investments were in the following issuers:

<u>Issuer:</u>		
Dodge & Cox International Stock	\$ 5,056	36.15%
Oakmark International Small Cap	2,063	14.75%
Wells Fargo Emerging Markets	1,081	7.73%
T Rowe Price Mid Cap Growth	5,785	41.37%

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

The County's total cash and investments are reported within these financial statements as follows:

	<u>Pooled Cash and Investments</u>	<u>Other Investments</u>
Fund Reporting Level:		
<i>Governmental Funds:</i>		
Equity in pooled cash and investments - unrestricted	\$ 61,747,095	\$ -
Equity in pooled cash and investments - restricted	21,925,945	-
<i>Business-type Activities:</i>		
Equity in pooled cash and investments - unrestricted	21,514,677	-
Cash and investments - restricted	3,345,357	-
<i>Discretely Presented Component Units:</i>		
Equity in pooled cash and investments - unrestricted	1,571,708	-
Other cash and investments	-	13,985
<i>Fiduciary Funds:</i>		
Equity in pooled cash and investments - unrestricted	2,568,626	-
Mutual funds	-	30,397,800
	<u>\$ 112,673,408</u>	<u>\$ 30,411,785</u>

Fair Value of Investments

The County measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy, as follows:

- Level 1: Quoted prices for identical investments in active markets;
- Level 2: Observable inputs other than quoted market prices; and,
- Level 3: Unobservable inputs.

At December 31, 2016, the County had the following recurring fair value measurements:

<u>Investments Measured at Fair Value</u>	<u>Total</u>	<u>Fair Value Measurements Using</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
US Agencies	\$ 4,292,393	4,292,393	-	-
Certificates of Deposit	53,618,600	-	53,618,600	-
Mutual Funds	30,431,136	33,335	30,397,801	-
Investments Measured at Net Asset Value				
Colotrust	\$ 26,643,537			
C-Safe	22,365,472			
CSIP	4,487			

III. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Fair Value of Investments (continued)

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- Repurchase Agreements, Negotiable Certificates of Deposit, and Collateralized Debt Obligations: matrix pricing based on the securities' relationship to benchmark quoted prices;
- Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

B. Receivables

Receivables at December 31, 2016 consisted of taxes, interest, accounts (billings for user charges), and intergovernmental receivables arising from grants. Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability. The County's allowance for uncollectible accounts is \$13,300 in the Solid Waste Center Fund.

C. Property Taxes

Property taxes and special assessments are levied on December 15 and attach as a lien on property for the following January 1. They are payable in full by April 30 or in two equal installments due February 28 and June 15. The County bills and collects its own property taxes as well as those for the other taxing districts in the County. Collections for other districts are accounted for in the agency funds.

D. Sales Taxes

The County has levied a two-percent sales tax since 1970. As approved by the electorate, 43% of the sales tax revenues are retained by the County's General Fund, and the remaining 57% is distributed to the City of Aspen and the municipalities of Snowmass Village and Basalt based on a formula taking into account the sales tax revenues produced by each of the municipalities for the two previous years. On July 1, 1985, the County levied an additional one-percent sales tax for the purpose of funding the Roaring Fork Transportation Authority ("RFTA", formerly a component unit known as Roaring Fork Transit Agency) and to secure the payment of principal and interest on bonds issued for transit purposes. Since at that time the total sales tax imposed by any county and city could not exceed four percent, Aspen and Snowmass Village reduced their sales tax levies to 1% from 2%, and the additional County tax was not imposed on the portion of Basalt situated within the County.

III. Detailed Notes on All Funds (continued)

D. Sales Taxes (continued)

The 1% transit sales tax is distributed 48.131% to RFTA and 51.869% to the City of Aspen and the Town of Snowmass Village. The allocations to the City of Aspen and the Town of Snowmass Village are to be divided between the two on the basis of the actual collections within the municipal limits of each. Payments to RFTA, Aspen and Snowmass Village are subordinate to any obligation the County has for any debt service secured by the 1% Transit Sales Tax.

Beginning in 1995, the County levied an additional one-half percent sales and use tax to fund mass transportation improvements. The proceeds of the use tax were first used for the acquisition of the Denver and Rio Grande Railroad right-of-way, and then for other public mass transportation system improvements. The additional sales and use tax revenues may only be spent on projects approved by the Aspen City Council, Town of Snowmass Village Council, and the BOCC.

On November 4, 2008, Pitkin County voters authorized a sales tax of .1% to be dedicated to establishing a Healthy Rivers and Streams Fund to fund programs to protect the County's rivers and streams. Goals include 1) maintaining and improving water quality and quantity within the Roaring Fork watershed; 2) purchasing, adjudicating changes of, leasing, using, banking, selling, and protecting water rights for the benefit of the Roaring Fork watershed; 3) working to secure, create and augment minimum stream flows in conjunction with non-profits, grant agencies, and appropriate State and Federal agencies to ensure ecological health, recreational opportunities, and wildlife and riparian habitat; promoting water conservation; and 4) improving and constructing capital facilities that contribute to the objectives listed above.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

III. Detailed Notes on All Funds (continued)

E. Capital Assets

Capital asset activity for the year ended December 31, 2016 was as follows:

Primary Government

	Beginning Balance (as restated)	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 101,295,854	\$ 3,169,634	\$ -	\$ 104,465,488
Intangible assets	46,413,154	2,004,395	-	48,417,549
Construction in progress	990,105	3,099,281	(334,087)	3,755,299
Total capital assets not being depreciated	<u>148,699,113</u>	<u>8,273,310</u>	<u>(334,087)</u>	<u>156,638,336</u>
Depreciable capital assets:				
Buildings	27,138,735	3,592,071	-	30,730,806
Improvements other than buildings	1,921,363	-	-	1,921,363
Machinery and equipment	13,865,013	2,964,037	(1,096,823)	15,732,227
Infrastructure	57,068,619	523,358	-	57,591,977
Total depreciable capital assets	<u>99,993,730</u>	<u>7,079,466</u>	<u>(1,096,823)</u>	<u>105,976,373</u>
Less accumulated depreciation for:				
Buildings	(16,383,775)	(545,712)	-	(16,929,487)
Improvements other than buildings	(1,046,354)	(71,890)	-	(1,118,244)
Machinery and equipment	(6,829,672)	(1,076,316)	1,026,608	(6,879,380)
Infrastructure	(30,665,691)	(1,780,965)	-	(32,446,656)
Total accumulated depreciation	<u>(54,925,492)</u>	<u>(3,474,883)</u>	<u>1,026,608</u>	<u>(57,373,767)</u>
Total depreciable capital assets, net	<u>45,068,238</u>	<u>3,604,583</u>	<u>(70,215)</u>	<u>48,602,606</u>
Governmental activities capital assets, net	<u>\$ 193,767,351</u>	<u>\$ 11,877,893</u>	<u>\$ (404,302)</u>	<u>\$ 205,240,942</u>

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

III. Detailed Notes on All Funds (continued)

E. Capital Assets (continued)

Primary Government (continued)

	Beginning Balance (as restated)	Increase	Decrease	Ending Balance
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 7,923,279	\$ -	\$ -	\$ 7,923,279
Intangible assets	2,955,956	-	-	2,955,956
Construction in progress	332,900	157,273	(332,900)	157,273
Total assets not being depreciated	11,212,135	157,273	(332,900)	11,036,508
Depreciable capital assets:				
Buildings	19,942,724	742,976	(25,685)	20,660,015
Improvements other than buildings	79,473,868	18,394	(6,500)	79,485,762
Machinery and equipment	15,255,458	426,409	(358,913)	15,322,954
Total depreciable capital assets	114,672,050	1,187,779	(391,098)	115,468,731
Less accumulated depreciation for:				
Buildings	(7,230,157)	(472,057)	18,105	(7,684,109)
Improvements other than buildings	(29,227,090)	(3,756,440)	4,143	(32,979,387)
Machinery and equipment	(7,115,351)	(1,091,350)	329,147	(7,877,554)
Total accumulated depreciation	(43,572,598)	(5,319,847)	351,395	(48,541,050)
Total depreciable capital assets, net	71,099,452	(4,132,068)	(39,703)	66,927,681
Business-type activities capital assets, net	\$ 82,311,587	\$ (3,974,795)	\$ (372,603)	\$ 77,964,189

Discretely Presented Component Units:

	Beginning Balance	Increase	Decrease	Ending Balance
Library District:				
Capital assets not being depreciated:				
Land	144,263	-	-	144,263
Construction in progress	7,543,519	-	(7,543,519)	-
Total assets not being depreciated	7,687,782	-	(7,543,519)	144,263
Depreciable capital assets:				
Buildings	6,053,922	12,907,162	(2,235,689)	16,725,395
Improvements other than buildings	13,672	-	-	13,672
Library collections	885,558	188,253	(43,391)	1,030,420
Machinery and equipment	448,133	517,498	(99,055)	866,576
Total depreciable capital assets	7,401,285	13,612,913	(2,378,135)	18,636,063
Less accumulated depreciation for:				
Buildings	(3,676,070)	(240,403)	1,778,927	(2,137,546)
Improvements other than buildings	(13,290)	(382)	-	(13,672)
Library collections	(742,735)	(173,808)	26,394	(890,149)
Machinery and equipment	(355,372)	(19,384)	99,055	(275,701)
Total accumulated depreciation	(4,787,467)	(433,977)	1,904,376	(3,317,068)
Total depreciable capital assets, net	2,613,818	13,178,936	(473,759)	15,318,995
Total capital assets, net Library District	\$ 10,301,600	\$ 13,178,936	\$ (8,017,278)	\$ 15,463,258

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

III. Detailed Notes on All Funds (continued)

E. Capital Assets (continued)

Depreciation expense was charged to functions/programs of the primary government as follows:

Governmental activities:

General government	\$ 298,000
Public safety	489,124
Public works	1,597,525
Health and welfare	141,626
Culture and recreation	868,941
Conservation of natural resources	4,635
Housing and development	75,032
Total governmental activities depreciation expense	<u>\$ 3,474,883</u>

Business-type activities:

Airport	\$ 4,837,114
Solid waste center	482,733
Total business-type activities depreciation expense	<u>\$ 5,319,847</u>

F. Interfund Transfers and Due to/Due from

Transfers are used to 1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, 2) to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, and 3) provide additional resources for current operations or debt service.

All County transfers either occur on a regular basis or are consistent with the purpose of the fund making the transfer.

The following interfund transfers occurred during the year ended December 31, 2016:

Transferred to	Transferred from		
	General	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 803,031	\$ 803,031
Open Space and Trails Fund	744,000	-	744,000
Nonmajor Governmental Funds	-	35,000	35,000
Total	<u>\$ 744,000</u>	<u>\$ 838,031</u>	<u>\$ 1,582,031</u>

III. Detailed Notes on All Funds (continued)

G. Long-term Debt

Governmental Activities:

1. 2006 General Obligation Refunding Bonds

The County issued \$9,815,000 of Pitkin County General Obligation Refunding Bonds on December 21, 2006. The bonds bear interest rates from 4% to 4.5%, and mature in annual increments from December 1, 2007 through 2036. The proceeds were used to advance refund \$7,890,000 of the Series 2000 Bonds and provide approximately \$1,560,000 for future open space acquisitions. The refunded Series 2000 Bonds were called for redemption at a redemption price equal to the principal amount plus accrued interest on December 1, 2010. During 2016, the Series 2006 Bonds were fully refunded by the 2016 Series B General Obligation Refunding Bonds.

2. 2010 Series A and B Sales Tax Revenue Bonds

On December 22, 2010, the County issued \$2,530,000 of Taxable Sales Tax Revenue Build America Bonds and \$5,830,000 of Tax-Exempt Sales Tax Revenue Refunding Bonds with interest rates on the tax-exempt bonds ranging from 2% to 4.25% and taxable bonds ranging from 6.69% to 6.94%. The bonds mature in annual increments from December 1, 2011 through 2040. The proceeds of the bonds were used to: (i) refund the County's outstanding Sales Tax Revenue Bonds, Series 1998; (ii) refund the County's outstanding Sales Tax Revenue Refunding and improvement bonds, Series 2001; (iii) construct or acquire certain maintenance facility improvements for the Emergency Telephone Authority; and, (iv) pay costs of issuance of the bonds.

The Sales Tax Revenue Bonds are special, limited revenue obligations of the County, secured by a pledge of its 1% sales tax for transit purposes. The outstanding balance of sales tax bonds at December 31, 2016 was \$6,480,000. During 2016 the debt service for these bonds totaled \$657,903, and the pledged revenue was \$10,121,745. The annual payment of principal and interest on the bonds is secured by a reserve fund.

3. 2013 General Obligation Refunding Bonds

On December 20, 2013 the County issued \$2,845,000 of General Obligation Refunding Bonds, Series 2013. The Bonds have a stated interest rate of 2.18%, and mature in annual increments from December 1, 2014 through 2024. The bonds were issued to refund the County's Series 2003 General Obligation Refunding Bonds. The principal balance outstanding at December 31, 2016 was \$1,720,000.

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

Governmental Activities (continued):

4. Pitkin County General Obligation Open Space Acquisition Note – Joy Smith Property

A note in the amount of \$4,250,000 was executed September 25, 2001 for the acquisition of property commonly known as the Joy Smith Property. The note bears interest at a rate of 5.3% with annual interest only payments through 2021. Principal payment is due in its entirety on September 25, 2021. This debt is voter approved and is supported by a pledge of the County's full faith and credit. This note was fully refunded in 2016 by the 2016 Series A General Obligation Refunding Bonds.

5. Twining Flats General Improvement Bonds

The Twining Flats General Improvement District issued bonds in 2006 to provide funds for improvements to the roads within their district. These bonds will be repaid from amounts levied against the property owners benefited by this construction. In the event that a deficiency exists because of unpaid or delinquent taxes at the time a debt service payment is due, Pitkin County must provide resources to cover the deficiency until other resources, for example, foreclosure proceeds, are received. The bonds bear an interest rate of 5.1% and mature in annual increment annually through 2016. The final payment was made during 2016.

6. 2016 Certificates of Participation

On October 26, 2016, the County issued \$22,790,000 of Pitkin County Certificates of Participation. The certificates bear interest rates from 2% to 4%, and mature in annual increments from November 1, 2017 through 2036. The proceeds will be used for the purpose of remodeling and constructing an addition to the Pitkin County Courthouse Plaza Building, and paying the costs of issuance of the certificates. The principal balance outstanding at December 31, 2016 was \$22,790,000.

7. 2016 Series A and B General Obligation Refunding Bonds

On September 26, 2016, the County issued \$4,275,000 of General Obligation Refunding Bonds, Series 2016A. The Bonds have a stated interest rate of 1.95%, and mature in annual increments from December 1, 2017 through 2031. The bonds were issued to refund the County's General Obligation Open Space Acquisition Note – Joy Smith Property. The principal balance outstanding at December 31, 2016 was \$4,275,000. The refunding was undertaken to reduce total debt service payments over the next fifteen years by \$388,715 and resulted in an economic gain of \$644,666.

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

III. Detailed Notes on All Funds (continued)

F. Long-term Debt (continued)

7. 2016 Series A and B General Obligation Refunding Bonds (continued)

On December 1, 2016, the County issued \$8,095,000 of General Obligation Refunding Bonds, Series 2016B. The Bonds have a stated interest rate of 1.99%, and mature in annual increments from December 1, 2017 through 2031. The bonds were issued to refund the County's Series 2006 General Obligation Bonds. The principal balance outstanding at December 31, 2016 was \$6,480,000. The refunding was undertaken to reduce total debt service payments over the next twenty years by \$2,158,861 and resulted in an economic gain of \$1,625,133.

8. Annual Debt Service Requirements

Annual debt service requirements to maturity for governmental activities are as follows:

Years Ending December 31	Governmental Activities					
	2010A & B Sales Tax Revenue		2013 General Obligation		2016A GO Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 340,000	\$ 315,225	\$ 200,000	\$ 37,496	\$ 235,000	\$ 98,414
2018	350,000	306,300	200,000	33,136	255,000	78,780
2019	360,000	295,800	210,000	28,776	260,000	73,808
2020	370,000	284,550	210,000	24,198	265,000	68,738
2021	385,000	272,525	220,000	19,620	270,000	63,570
2022 - 2026	2,145,000	1,135,584	680,000	29,975	1,425,000	236,925
2027 - 2031	735,000	771,178	-	-	1,565,000	91,676
2032 - 2036	910,000	500,115	-	-	-	-
2037 - 2041	885,000	156,475	-	-	-	-
2042 - 2046	-	-	-	-	-	-
Total	\$ 6,480,000	\$ 4,037,752	\$ 1,720,000	\$ 173,201	\$ 4,275,000	\$ 711,911

Years Ending December 31	Governmental Activities					
	2016B GO Refunding		2016 Certificates of Participation		TOTAL	
	Principal	Interest	Principal	Interest	Principal	Interest
2017	\$ 485,000	\$ 161,091	\$ 475,000	\$ 771,850	\$ 1,735,000	\$ 1,384,076
2018	495,000	151,439	455,000	793,581	1,755,000	1,363,236
2019	510,000	141,589	460,000	784,481	1,800,000	1,324,454
2020	515,000	131,440	470,000	775,281	1,830,000	1,284,207
2021	530,000	121,191	480,000	765,882	1,885,000	1,242,788
2022 - 2026	2,815,000	443,472	2,705,000	3,525,406	9,770,000	5,371,362
2027 - 2031	2,745,000	150,345	3,290,000	2,939,406	8,335,000	3,952,605
2032 - 2036	-	-	4,005,000	2,226,406	4,915,000	2,726,521
2037 - 2041	-	-	4,805,000	1,431,156	5,690,000	1,587,631
2042 - 2046	-	-	5,645,000	584,214	5,645,000	5,507,078
Total	\$ 8,095,000	\$ 1,300,567	\$ 22,790,000	\$ 14,597,663	\$ 37,715,000	\$ 20,236,880

Pitkin County, Colorado
Notes to the Financial Statements
December 31, 2016

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

9. Changes in Long-term Debt

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due in One Year</u>
Governmental Activities:					
General obligation:					
Series 2006	\$ 8,390,000	\$ -	\$ 8,390,000	\$ -	\$ -
Series 2013	2,100,000	-	380,000	1,720,000	200,000
Series 2016A Refunding	-	4,275,000	-	4,275,000	235,000
Series 2016B Refunding	-	8,095,000	-	8,095,000	485,000
Sales tax revenue Series 2010 A&B	6,810,000	-	330,000	6,480,000	340,000
Open space acquisition note	4,250,000	-	4,250,000	-	-
2016 Certificates of Participation	-	22,790,000	-	22,790,000	475,000
Twining Flats improvement bonds	8,557	-	8,557	-	-
Deferred amounts:					
Issuance premiums	86,029	742,188	83,935	744,282	-
Claims payable	992,989	4,860,205	4,959,404	893,790	357,516
Compensated absences	1,406,129	2,365,326	2,241,129	1,530,326	612,130
Total - Governmental Activities	<u>\$ 24,043,704</u>	<u>\$ 43,127,719</u>	<u>\$ 20,643,025</u>	<u>\$ 46,528,398</u>	<u>\$ 2,704,646</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due in One Year</u>
Business-type Activities:					
Landfill closure and post-closure	\$ 3,206,730	\$ 138,627	\$ -	\$ 3,345,357	\$ -
Compensated absences	186,678	299,578	309,206	177,050	70,820
Total - Business-type Activities	<u>\$ 3,393,408</u>	<u>\$ 438,205</u>	<u>\$ 309,206</u>	<u>\$ 3,522,407</u>	<u>\$ 70,820</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amounts Due in One Year</u>
Component Units:					
Pitkin County Library District:					
Compensated absences	\$ 105,771	\$ 204,525	\$ 192,271	\$ 118,025	\$ 47,210
	<u>\$ 105,771</u>	<u>\$ 204,525</u>	<u>\$ 192,271</u>	<u>\$ 118,025</u>	<u>\$ 47,210</u>

The 2016 Series A and B Refunding Bonds are being repaid by the Open Space Fund and the Certificates of Participation are being repaid by the General Fund. The County's sales tax revenue bonds are being retired from the Transit Debt Service Fund.

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. Approximately 62% of the salaries are incurred in the General Fund. The outstanding claims are being paid by the General Fund. Further details of claims are provided in Note IV.B.

Authority to issue \$20 million of general obligation indebtedness for the purpose of maintaining and acquiring open space and trails was approved in 2006. In addition, authority to issue \$12 million of general obligation indebtedness for the purpose of maintaining healthy rivers and streams was approved in 2008.

III. Detailed Notes on All Funds (continued)

G. Long-term Debt (continued)

10. Conduit Debt

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of affordable housing projects or industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the individual or private sector entity served by the bonds issuance.

Neither the County, nor the State, nor any political subdivision thereof is obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2016, there were three series of Industrial Revenue bonds outstanding with an aggregate principal amount payable of \$9,750,000.

H. Fund Balance Disclosures

The County has reported the following restricted fund balances:

	Primary Government	
	General	Other
	Fund	Funds
Restricted for statutory reserves	\$ 862,460	\$ 1,079,988
Restricted for debt service	-	165,865
Restricted for State and Federal programs	465,133	215,174
Restricted for Clerk's programs	186,657	-
Restricted for voter approved programs	-	24,688,503
	<u>\$ 1,514,250</u>	<u>\$ 26,149,530</u>

The County has reported the following committed fund balances:

	Primary Government	
	General	Other
	Fund	Funds
Committed for open space and parks	\$ 312,769	\$ -
Committed for affordable housing	-	11,753,303
	<u>\$ 312,769</u>	<u>\$ 11,753,303</u>

III. Detailed Notes on All Funds (continued)

H. Fund Balance Disclosures (continued)

The Board of County Commissioners has assigned fund balance for the following purposes:

	General Fund
Appropriated for expenditure in the 2017 budget for operations	\$ 2,225,920
Appropriated for expenditure in the 2017 budget for capital projects	24,812,178
A minimum fund balance for working capital	4,346,734
Contributions assigned for the Topsy Taxi program	84,975
Assigned to fund future employee health claims	3,795,732
Assigned to fund claims payable	893,790
Assigned for future capital projects for animal shelter	204,611
Assigned for future capital projects	3,431,854
	<u>\$ 39,795,794</u>

The County has ongoing contractual obligations to various projects. General Fund contractual obligations for capital projects include contracts for relocation of administrative facilities and digitization of records. Architectural services for the remodel of the Rubey Park bus station is being funded by the Transportation Sales and Use Tax Fund. The Open Space and Trails Fund is funding a rehabilitation project of the Stein Bridge and Trail. A summary of these ongoing capital project contractual obligations is as follows:

	Original Obligation	Spent to Date	Remaining Obligation
General Fund	\$ 31,446,403	\$ 11,544,948	\$ 19,901,455
Transportation Sales and Use Tax Fund	1,700,423	1,325,439	374,984
Open Space and Trails Fund	1,089,100	1,067,608	21,492
	<u>\$ 34,235,926</u>	<u>\$ 13,937,995</u>	<u>\$ 20,297,931</u>

IV. Other Information

A. Pension Plans

Effective January 1, 1983, the County withdrew from Social Security and the Colorado County Officials and Employees Retirement Association ("CCOERA") and formed a replacement retirement plan, the Pitkin County Public Employees Retirement Plan ("PCPERP"). Both CCOERA and PCPERP are defined contributions plans. In a defined contribution plan benefits depend solely on amounts contributed and earnings allocated to the participant's account. A defined contribution plan has no unfunded liabilities and actuarial valuations are not required. The plan does not issue a separate financial report.

IV. Other Information (continued)

A. Pension Plans (continued)

CCOERA, a multiple employer defined contributions plan, is not included in the County's financial statements since the County has no fiduciary responsibility for the plan. Employees participating in the plan on January 1, 1983 are 100% vested and will receive contributions and interest earnings upon termination.

PCPERP, a single employer defined contribution plan, was formed under the provisions of Colorado Revised Statutes, Title 24-54-107(1). All full-time employees of the County and the Library District participate in the plan after six months of employment. The County contributed 13.0% of participants' compensation to the plan during 2016 and purchased replacement insurance coverage for Social Security's life, disability and survivor benefits at a cost of 1% of participants' compensation. Employee contributions are not allowed under the plan. Participants vest immediately in 50% of the County's contribution and thereafter at the rate of an additional 10% per year of employment. Upon termination of employment a participant's unvested share is forfeited back to the County to fund plan administrative expenses. The PCPERP is included in the accompanying financial statements as the Pension Trust Fund using the accrual basis of accounting.

Great West Retirement Services is responsible for participant record keeping. Employer contributions are recognized as revenues in the period in which employee services are performed, assets are reported at market value, investment income is recognized as earned, and gains and losses on sales are recognized on the transaction date.

The following table reflects information about the contributions to the retirement plan for the last three years:

	2016	2015	2014
Total salaries	\$ 20,032,000	\$ 18,979,414	\$ 16,990,746
Eligible salaries	18,801,715	16,470,962	15,103,277
Percent of contribution by County	13.00%	13.00%	13.00%
County contributions	2,444,223	2,141,225	1,963,426

B. Risk Management

1. County's Worker's Compensation Self Insurance Program

The County is exposed to various risks of loss related to injuries of employees while on the job. Effective January 1, 1993, the County instituted a limited self-insurance program for workers' compensation losses. Premiums are paid into the General Fund by all other funds and are available to pay claims, claim reserves and administrative costs of the program. Risk retention of \$400,000 per claim is maintained and funded through the General Fund based on annual estimated claims costs and an excess insurance policy covers individual claims that exceed \$400,000.

IV. Other Information (continued)

B. Risk Management (continued)

1. County's Worker's Compensation Self Insurance Program (continued)

There has been no significant reduction in insurance coverage from the prior year and no settlements exceeding the self-insured retention in any of the last three years. Claims administration and medical services are provided through contract and the County's Human Resources Director is responsible for overall program management.

The State of Colorado has a strict application and annual renewal process which includes funding verification, excess insurance coverage verification, claims data review and provision of comprehensive loss prevention and control program as well as self-insurer's bond with a bond sum of \$331,000 to cover the County's risk retention portion.

All operating funds of the County, including its blended component units, participate in the program and make payments to the General Fund based on actuarial estimates of the amounts needed to pay current year claims and to establish a reserve for catastrophic losses.

The County's liability for unpaid claims includes an amount for claims that have been incurred but not reported ("IBNR"). Changes in the liability during the past three years are as follows:

	2016	2015	2014
Unpaid claims, beginning	\$ 504,557	\$ 562,200	\$ 338,916
Incurred claims, including IBNRs	101,366	214,811	734,777
Claims paid	(240,720)	(272,454)	(511,493)
Unpaid claims, ending	<u>\$ 365,203</u>	<u>\$ 504,557</u>	<u>\$ 562,200</u>

2. County General Liability Insurance Program

The County is exposed to risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters. The property and general liability program provides for the County to assume a portion of self-insured losses. The county self-insures the first \$50,000 of each property loss and has an aggregate stop loss of \$300,000 for general liability claims. Excess insurance coverage is purchased to cover claims above these limits.

The County funds all claim settlements up to the self-insured limit from general fund resources. There have been no settlements that exceed the County's excess insurance coverage during the past three years. The County currently accounts for all risk management activities in its general fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated.

IV. Other Information (continued)

B. Risk Management (continued)

2. County General Liability Insurance Program (continued)

These losses included an estimate of claims that have been incurred but not reported. Changes in the liability during the past three years are as follows:

	2016	2015	2014
Unpaid claims, beginning	\$ 144,205	\$ 213,944	\$ 110,089
Incurred claims, including IBNRs	211,140	1,891	158,186
Claims paid	(256,249)	(71,630)	(54,331)
Unpaid claims, ending	<u>\$ 99,096</u>	<u>\$ 144,205</u>	<u>\$ 213,944</u>

3. County Health Pool

The County is exposed to various risks of loss related to covered health expenses. The County maintains a self-funded health and dental plan. The County has coverage that limits the annual losses at \$125,000 per individual and \$2,773,000 for the year. There were no significant reductions in insurance coverage from prior year, and there have been no settlements that exceed the County's insurance coverage during the past three years.

These losses included an estimate of claims that have been incurred but not reported. Changes in the liability during the past three years are as follows:

	2016	2015	2014
Unpaid claims, beginning	\$ 344,227	\$ 336,576	\$ 321,533
Incurred claims, including IBNRs	4,547,699	3,298,672	3,281,479
Claims paid	(4,462,435)	(3,291,021)	(3,266,436)
Unpaid claims, ending	<u>\$ 429,491</u>	<u>\$ 344,227</u>	<u>\$ 336,576</u>

C. Claims and Contingencies

1. Pending Litigation

The County is involved in various lawsuits. Where the County Attorney is the attorney of record for Pitkin County, the County Attorney does not believe the potential loss to the County for any of these lawsuits would have a material impact of these financial statements.

IV. Other Information (continued)

C. Claims and Contingencies (continued)

2. Closure and Post-Closure Care Costs

State of Colorado "Regulations Pertaining to Solid Waste Disposal Sites and Facilities, 6 CCR 1007-2" require that owners or operators of any solid waste disposal site/facility shall maintain in written documented form current cost estimates for hiring a third party to close such site and facility and to conduct post-closure care of such site/facility. The owner or operator of any solid waste disposal site and facility shall establish financial assurance sufficient to ensure payment of such costs.

The County uses the "Local Government Financial Test" as its financial mechanism to financially assure full payment of all closure, post-closure, and if applicable, corrective action estimated costs.

As of December 31, 2016 estimated costs to close the landfill and provide 30 years of post-closure care were:

Closure cost estimate	\$ 1,179,898
Post-closure cost estimate	<u>2,165,459</u>
Total cost estimate	<u><u>\$ 3,345,357</u></u>

Closure costs fluctuate due to ongoing landfill development and would be expected to become somewhat lower as supplementary structures are constructed.

Although closure and post-closure care costs will be paid only in the unlikely event of premature closure near or after the date the landfill stops accepting waste, the County reports a portion of these closure and post-closure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The \$3,345,357 reported as landfill closure and post-closure liability at December 31, 2016 represents the cumulative amount reported to date based on the use of 69.70% of the capacity of the landfill. The County will recognize the remaining estimated costs of closure and post-closure care as the remaining capacity is filled. The County expects to close the landfill in the year 2032. Actual closure/ post-closure costs may be higher or lower due to inflation, changes in technology, or changes in regulations.

IV. Other Information (continued)

D. Restatement

The County has restated the beginning balances of accumulated depreciation for governmental and business type capital assets to reflect a reduction of \$3,209,556 for excess depreciation and an increase of \$89,867 for insufficient depreciation, respectively. The beginning net positions of the County's governmental activities and business type activities have been increased and decreased, respectively, on the government-wide Statement of Activities to reflect these changes.

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REQUIRED SUPPLEMENTARY INFORMATION

Pitkin County, Colorado
General Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 14,432,658	\$ 14,403,458	\$ 14,573,084	\$ 169,626	\$ 14,089,341
Intergovernmental	2,396,240	5,311,475	4,671,503	(639,972)	3,524,132
Licenses and permits	1,598,479	1,655,740	1,075,280	(580,460)	1,773,016
Charges for services	6,432,519	6,385,824	6,591,683	205,859	6,172,018
Fines and forfeitures	27,500	27,500	40,516	13,016	46,927
Investment earnings	289,550	289,550	246,704	(42,846)	226,928
Impact fees	150,000	150,000	91,559	(58,441)	520,148
Contributions and donations	25,600	25,600	39,066	13,466	32,735
Miscellaneous	333,527	333,527	350,632	17,105	346,351
Total Revenues	<u>25,686,073</u>	<u>28,582,674</u>	<u>27,680,027</u>	<u>(902,647)</u>	<u>26,731,596</u>
Expenditures					
Current:					
General government	34,183,026	40,249,513	17,008,730	23,240,783	10,107,242
Public safety	9,792,291	15,980,419	13,754,667	2,225,752	9,022,106
Public works	1,440,750	2,816,673	2,689,676	126,997	2,561,817
Health and welfare	2,629,369	2,909,349	2,467,764	441,585	2,327,604
Housing and development	214,300	214,300	214,416	(116)	244,469
Culture and recreation	64,213	381,881	134,452	247,429	33,639
Total Expenditures	<u>48,323,949</u>	<u>62,552,135</u>	<u>36,269,705</u>	<u>26,282,430</u>	<u>24,296,877</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(22,637,876)	(33,969,461)	(8,589,678)	25,379,783	2,434,719
Other Financing Sources (Uses)					
Premium on bonds issued	-	-	742,188	742,188	-
Sale of capital assets	220,600	220,600	199,005	(21,595)	250,769
Issuance of debt	16,000,000	16,000,000	22,790,000	6,790,000	-
Transfers in	1,019,879	1,524,879	803,031	(721,848)	528,088
Transfers out	(69,000)	(744,000)	(744,000)	-	(98,000)
Total Other Financing Sources (Uses)	<u>17,171,479</u>	<u>17,001,479</u>	<u>23,790,224</u>	<u>6,788,745</u>	<u>680,857</u>
Net Change in Fund Balance	<u>\$ (5,466,397)</u>	<u>\$ (16,967,982)</u>	15,200,546	<u>\$ 32,168,528</u>	3,115,576
Fund Balance Beginning of Year			<u>31,206,538</u>		<u>28,090,962</u>
Fund Balance End of Year			<u>\$ 46,407,084</u>		<u>\$ 31,206,538</u>

Pitkin County, Colorado
Transportation Sales and Use Tax Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 15,487,883	\$ 15,487,883	\$ 16,066,875	\$ 578,992	\$ 15,391,973
Charges for services	-	-	3	3	16
Investment earnings	79,000	79,000	75,187	(3,813)	56,731
Miscellaneous	-	10,000	-	(10,000)	-
Total Revenues	<u>15,566,883</u>	<u>15,576,883</u>	<u>16,142,065</u>	<u>565,182</u>	<u>15,448,720</u>
Expenditures					
Current:					
Public works	<u>15,005,302</u>	<u>16,293,600</u>	<u>15,757,363</u>	<u>536,237</u>	<u>18,558,898</u>
Total Expenditures	<u>15,005,302</u>	<u>16,293,600</u>	<u>15,757,363</u>	<u>536,237</u>	<u>18,558,898</u>
Net Change in Fund Balance	<u>\$ 561,581</u>	<u>\$ (716,717)</u>	384,702	<u>\$ 1,101,419</u>	(3,110,178)
Fund Balance Beginning of Year			<u>7,053,385</u>		<u>10,163,563</u>
Fund Balance End of Year			<u>\$ 7,438,087</u>		<u>\$ 7,053,385</u>

Pitkin County, Colorado
Open Space and Trails Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 11,392,398	\$ 11,392,398	\$ 11,343,210	\$ (49,188)	\$ 10,014,055
Intergovernmental	500,000	505,000	562,958	57,958	391,999
Licenses and permits	-	-	12,231	12,231	10,758
Charges for services	-	-	32,587	32,587	6,268
Fines and forfeitures	-	-	2,900	2,900	4,400
Investment earnings	138,340	138,340	131,267	(7,073)	64,583
Contributions and donations	-	-	15,761	15,761	14,481
Miscellaneous	-	105,000	233,786	128,786	74,277
Total Revenues	<u>12,030,738</u>	<u>12,140,738</u>	<u>12,334,700</u>	<u>193,962</u>	<u>10,580,821</u>
Expenditures					
Current:					
Culture and recreation	4,139,684	15,076,589	9,649,803	5,426,786	11,789,577
Debt Service:					
Principal	715,000	715,000	715,000	-	695,000
Interest and fiscal charges	625,730	625,730	626,356	(626)	646,705
Bond issuance costs	450	65,450	65,450	-	450
Total Expenditures	<u>5,480,864</u>	<u>16,482,769</u>	<u>11,056,609</u>	<u>5,426,160</u>	<u>13,131,732</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	6,549,874	(4,342,031)	1,278,091	5,620,122	(2,550,911)
Other Financing Sources (Uses):					
Sale of capital assets	11,000	11,000	19,450	8,450	108,360
Refunding bonds issued	-	12,370,000	12,370,000	-	-
Payment to refunded bond escrow agent	-	(12,305,626)	(12,305,000)	626	-
Transfers in	69,000	744,000	744,000	-	98,000
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>819,374</u>	<u>828,450</u>	<u>9,076</u>	<u>206,360</u>
Net Change in Fund Balance	<u>\$ 6,629,874</u>	<u>\$ (3,522,657)</u>	2,106,541	<u>\$ 5,629,198</u>	(2,344,551)
Fund Balance Beginning of Year			<u>10,430,740</u>		<u>12,775,291</u>
Fund Balance End of Year			<u>\$ 12,537,281</u>		<u>\$ 10,430,740</u>

Pitkin County, Colorado
Employee Housing Impact Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Investment earnings	\$ 54,660	\$ 54,660	\$ 102,698	\$ 48,038	\$ 56,389
Impact fees	750,000	750,000	507,915	(242,085)	790,455
Miscellaneous	111,701	111,701	70,510	(41,191)	76,614
Total Revenues	<u>916,361</u>	<u>916,361</u>	<u>681,123</u>	<u>(235,238)</u>	<u>923,458</u>
Expenditures					
Current:					
Housing	9,431,393	9,431,393	78,752	9,352,641	1,093,542
Total Expenditures	<u>9,431,393</u>	<u>9,431,393</u>	<u>78,752</u>	<u>9,352,641</u>	<u>1,093,542</u>
Net Change in Fund Balance	<u>\$ (8,515,032)</u>	<u>\$ (8,515,032)</u>	602,371	<u>\$ 9,117,403</u>	(170,084)
Fund Balance Beginning of Year			<u>11,171,366</u>		<u>11,341,450</u>
Fund Balance End of Year			<u>\$ 11,773,737</u>		<u>\$ 11,171,366</u>

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SUPPLEMENTARY INFORMATION

Non-Major Governmental Funds

Special Revenue Funds

Special revenue funds account for taxes or other earmarked revenues of the County that finance specified activities as required by law or administrative action.

Road and Bridge Fund – State law empowers the County to levy property tax for the purpose of construction and maintenance of County road and bridges. This tax and all state and federal payments to the County for road and bridge purposes are accounted for in this fund.

Social Services Fund – The County is required to levy property tax to defray its share of state welfare programs and associated administrative costs. The full cost of these programs, state share and County tax are accounted for in the Social Services Fund.

TV and FM Translator Fund – In 1982, the voters approved a dedicated property tax to fund TV and FM broadcasting services to the public.

Healthy Community Fund – In 2006, the voters approved an increase in property taxes to support contributions to Human Service Agencies and Community Non-profits. The property tax was authorized for six years but was reauthorized at a higher rate in 2011 for the 2013 budget. This authorization will sunset in 2018.

Conservation Trust Fund – State of Colorado distributes a portion of lottery proceeds annually to the County, which is dedicated to parks and open space. State statute requires a separate fund be established to account for these monies.

Healthy Rivers and Streams Fund – On November 4, 2008, Pitkin County voters authorized a sales tax of .1% to be dedicated to establishing a Healthy Rivers and Streams Fund. The voters also authorized that the Pitkin County debt may be increased to an amount not to exceed \$12 million in relation to this fund with a repayment out of the Healthy Rivers and Streams Fund. No debt has been issued to date. The goals ballot question outlined four specific objectives of the fund: 1) Maintaining and improving water quality and quantity within the Roaring Fork watershed; 2) Purchasing, adjudicating changes of, lease, using, banking, selling, and protecting water rights for the benefit of the Roaring Fork watershed; 3) Working to secure, create, and augment minimum stream flows in conjunction with non-profits, grant agencies, and appropriate State and Federal agencies to ensure ecological health, recreational opportunities, and wildlife and riparian habitat; promote water conservation; and 4) Improving and constructing capital facilities that contribute to the objectives listed above.

Ambulance District – Formed in 1982, ambulance service is provided by this District to the area in and around the City of Aspen. The Ambulance District has contracted with Aspen Valley Hospital to provide these services. The Board of County Commissioners acts as the board of directors and sets the supporting property tax levy.

Redstone Ranch Acres and Twining Flats Improvement Districts – These Districts were formed to improve roads and provide maintenance. The Twining Flats Improvement District issued debt in 2006 to improve roads in the District and also collects property tax to maintain the roads. There is insufficient support in the Redstone Ranch Acres Improvement District for the issuance of bonds so only minor improvements have been completed. The Board of County Commissioners acts and the board of directors for these Districts and sets the supporting property tax levy.

Debt Services Funds

Debt Service Funds are used to account for the accumulation of resources for the payment of bond principal and interest which the County is obligated for repayment.

Transit Debt Service Fund – This fund is used to account for the accumulation of resources and payment of principal and interest on Sales Tax Revenue Bonds. During 2010, the County issued \$8,360,000 in Sales Tax Revenue Bonds that consisted of \$5,830,000 Tax Exempt Refunding Bonds and \$2,530,000 of Taxable Sales Tax Revenue Build America Bonds. The refunding bonds defeased the outstanding 1998 and 2001 Sales Tax Revenue Bonds. The bond proceeds of the refunded debt and current debt were issued to acquire buses and improve certain facilities for the Roaring Fork Transit Agency. Funding is provided by a 1% County sales tax implemented on July 1, 1985, and by interest earned by the fund.

Pitkin County, Colorado
Combining Balance Sheet
Non-major Governmental Funds
December 31, 2016

	Non-major Special Revenue Funds	Transit Service Debt Service Fund	Total Non-major Governmental Funds
Assets			
Equity in pooled cash and investments	\$ 5,834,261	\$ -	\$ 5,834,261
Receivables:			
Accounts	2,267	-	2,267
Property taxes	4,890,348	-	4,890,348
Sales taxes	180,083	109,205	289,288
Intergovernmental	402,579	-	402,579
Equity in pooled cash and investments, restricted	-	56,660	56,660
Total Assets	<u>11,309,538</u>	<u>165,865</u>	<u>11,475,403</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances			
Liabilities			
Accounts payable	326,274	-	326,274
Accrued liabilities	27,261	-	27,261
Intergovernmental payable	40,387	-	40,387
Due to other funds	23,405	-	23,405
Funds held in trust	14,000	-	14,000
Total Liabilities	<u>431,327</u>	<u>-</u>	<u>431,327</u>
Deferred Inflows of Resources			
Unavailable property taxes	4,890,348	-	4,890,348
Total Deferred Inflows of Resources	<u>4,890,348</u>	<u>-</u>	<u>4,890,348</u>
Fund Balances			
Restricted for:			
Statutory reserve	212,265	-	212,265
Debt service	-	165,865	165,865
State and Federal programs	215,174	-	215,174
Voter approved programs	5,560,424	-	5,560,424
Total Fund Balances	<u>5,987,863</u>	<u>165,865</u>	<u>6,153,728</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,309,538</u>	<u>\$ 165,865</u>	<u>\$ 11,475,403</u>

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Governmental Funds
For the Year Ended December 31, 2016

	Non-major Special Revenue Funds	Transit Debt Service Fund	Total Non-major Governmental Funds
Revenues			
Taxes	\$ 6,903,796	\$ 600,664	\$ 7,504,460
Intergovernmental	3,683,167	56,413	3,739,580
Licenses and permits	15,360	-	15,360
Charges for services	9,939	-	9,939
Investment earnings	62,162	2,058	64,220
Miscellaneous	31,944	-	31,944
Total Revenues	10,706,368	659,135	11,365,503
Expenditures			
Current:			
Public safety	453,213	-	453,213
Public works	4,263,452	-	4,263,452
Health and welfare	3,865,879	-	3,865,879
Culture and recreation	1,122,111	-	1,122,111
Debt Service:			
Principal	8,557	330,000	338,557
Interest and fiscal charges	803	327,903	328,706
Total Expenditures	9,714,015	657,903	10,371,918
Excess (Deficiency) of Revenues Over (Under) Expenditures	992,353	1,232	993,585
Other Financing Sources (Uses)			
Transfers in	35,000	-	35,000
Transfers out	(838,031)	-	(838,031)
Total Other Financing Sources (Uses)	(803,031)	-	(803,031)
Net Change in Fund Balances	189,322	1,232	190,554
Fund Balances Beginning of Year	5,798,541	164,633	5,963,174
Fund Balances End of Year	\$ 5,987,863	\$ 165,865	\$ 6,153,728

Pitkin County, Colorado
Combining Balance Sheet
Non-major Special Revenue Funds
December 31, 2016

	Road and Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund
Assets				
Equity in pooled cash and investments	\$ -	\$ 168,944	\$ 1,527,124	\$ 244,819
Receivables:				
Accounts	638	1,272	357	-
Property taxes	509,089	191,276	803,360	2,227,632
Sales taxes	-	-	-	-
Intergovernmental	137,906	141,211	-	-
Total Assets	647,633	502,703	2,330,841	2,472,451
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts payable	83,293	12,518	26,824	85
Accrued liabilities	16,492	7,016	2,419	414
Intergovernmental payable	1,354	24,993	-	14,040
Due to other funds	23,405	-	-	-
Funds held in trust	14,000	-	-	-
Total Liabilities	138,544	44,527	29,243	14,539
Deferred Inflows of Resources				
Unavailable property taxes	509,089	191,276	803,360	2,227,632
Total Deferred Inflows of Resources	509,089	191,276	803,360	2,227,632
Fund Balances				
Restricted for:				
Statutory reserve	-	51,726	29,702	66,857
State and Federal programs	-	215,174	-	-
Voter approved programs	-	-	1,468,536	163,423
Total Fund Balances	-	266,900	1,498,238	230,280
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 647,633	\$ 502,703	\$ 2,330,841	\$ 2,472,451

Conservation Trust Fund	Healthy Rivers and Streams Fund	Ambulance District	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Non-major Special Revenue Funds
\$ 2,113	\$ 2,649,924	\$ 1,198,321	\$ 15,886	\$ 27,130	\$ 5,834,261
-	-	-	-	-	2,267
-	-	1,141,672	9,241	8,078	4,890,348
-	180,083	-	-	-	180,083
-	-	123,462	-	-	402,579
<u>2,113</u>	<u>2,830,007</u>	<u>2,463,455</u>	<u>25,127</u>	<u>35,208</u>	<u>11,309,538</u>
-	187,424	7,527	8,603	-	326,274
-	920	-	-	-	27,261
-	-	-	-	-	40,387
-	-	-	-	-	23,405
-	-	-	-	-	14,000
-	188,344	7,527	8,603	-	431,327
-	-	1,141,672	9,241	8,078	4,890,348
-	-	1,141,672	9,241	8,078	4,890,348
-	31,270	31,842	301	567	212,265
-	-	-	-	-	215,174
<u>2,113</u>	<u>2,610,393</u>	<u>1,282,414</u>	<u>6,982</u>	<u>26,563</u>	<u>5,560,424</u>
<u>2,113</u>	<u>2,641,663</u>	<u>1,314,256</u>	<u>7,283</u>	<u>27,130</u>	<u>5,987,863</u>
<u>\$ 2,113</u>	<u>\$ 2,830,007</u>	<u>\$ 2,463,455</u>	<u>\$ 25,127</u>	<u>\$ 35,208</u>	<u>\$ 11,309,538</u>

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Non-major Special Revenue Funds
For the Year Ended December 31, 2016

	Road and Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund
Revenues				
Taxes	\$ 1,578,469	\$ 196,615	\$ 807,549	\$ 2,222,974
Intergovernmental	1,277,023	2,207,546	133,178	-
Licenses and permits	15,360	-	-	-
Charges for services	4,478	4,908	346	-
Investment earnings	-	1,963	20,057	5,584
Miscellaneous	-	3,000	28,944	-
Total Revenues	2,875,330	2,414,032	990,074	2,228,558
Expenditures				
Current:				
Public safety	-	-	-	-
Public works	2,875,330	-	1,285,684	84,000
Health and welfare	-	2,410,689	-	1,455,190
Culture and recreation	-	-	-	184,000
Debt Service:				
Principal	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	2,875,330	2,410,689	1,285,684	1,723,190
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	3,343	(295,610)	505,368
Other Financing Sources (Uses)				
Transfers in	-	35,000	-	-
Transfers out	-	-	(289,460)	(479,571)
Total Other Financing Sources (Uses)	-	35,000	(289,460)	(479,571)
Net Change in Fund Balances	-	38,343	(585,070)	25,797
Fund Balances Beginning of Year	-	228,557	2,083,308	204,483
Fund Balances End of Year	\$ -	\$ 266,900	\$ 1,498,238	\$ 230,280

Conservation Trust Fund	Healthy Rivers and Streams Fund	Ambulance District	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Total Non-major Special Revenue Funds
\$ -	\$ 1,018,512	\$ 1,051,168	\$ 9,913	\$ 18,596	\$ 6,903,796
65,420	-	-	-	-	3,683,167
-	-	-	-	-	15,360
-	159	48	-	-	9,939
270	23,650	10,199	135	304	62,162
-	-	-	-	-	31,944
65,690	1,042,321	1,061,415	10,048	18,900	10,706,368
-	-	453,213	-	-	453,213
-	-	-	11,348	7,090	4,263,452
-	-	-	-	-	3,865,879
-	938,111	-	-	-	1,122,111
-	-	-	-	8,557	8,557
-	-	-	-	803	803
-	938,111	453,213	11,348	16,450	9,714,015
65,690	104,210	608,202	(1,300)	2,450	992,353
-	-	-	-	-	35,000
(69,000)	-	-	-	-	(838,031)
(69,000)	-	-	-	-	(803,031)
(3,310)	104,210	608,202	(1,300)	2,450	189,322
5,423	2,537,453	706,054	8,583	24,680	5,798,541
\$ 2,113	\$ 2,641,663	\$ 1,314,256	\$ 7,283	\$ 27,130	\$ 5,987,863

Pitkin County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,628,266	\$ 1,657,466	\$ 1,578,469	\$ (78,997)	\$ 1,444,955
Intergovernmental	1,171,480	1,187,480	1,277,023	89,543	1,246,183
Licenses and permits	12,000	12,000	15,360	3,360	18,420
Charges for services	6,500	6,500	4,478	(2,022)	13,446
Miscellaneous	500	500	-	(500)	-
Total Revenues	2,818,746	2,863,946	2,875,330	11,384	2,723,004
Expenditures					
Current:					
Public works	2,818,746	2,863,946	2,875,330	(11,384)	2,723,004
Total Expenditures	2,818,746	2,863,946	2,875,330	(11,384)	2,723,004
Net Change in Fund Balance	\$ -	\$ -	-	\$ -	-
Fund Balance Beginning of Year			-		-
Fund Balance End of Year			\$ -		\$ -

Pitkin County, Colorado
Social Services Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 197,702	\$ 197,702	\$ 196,615	\$ (1,087)	\$ 173,594
Intergovernmental	1,943,062	2,219,794	2,207,546	(12,248)	1,757,327
Charges for services	2,000	2,000	4,908	2,908	36,507
Investment earnings	2,450	2,450	1,963	(487)	1,559
Miscellaneous	-	-	3,000	3,000	9,032
Total Revenues	2,145,214	2,421,946	2,414,032	(7,914)	1,978,019
Expenditures					
Current:					
Health and welfare	2,177,870	2,606,478	2,410,689	195,789	1,975,628
Total Expenditures	2,177,870	2,606,478	2,410,689	195,789	1,975,628
Excess (Deficiency) of Revenues Over (Under) Expenditures	(32,656)	(184,532)	3,343	187,875	2,391
Other Financing Sources (Uses)					
Transfers in	35,000	35,000	35,000	-	40,000
Total Other Financing Sources (Uses)	35,000	35,000	35,000	-	40,000
Net Change in Fund Balance	\$ 2,344	\$ (149,532)	38,343	\$ 187,875	42,391
Fund Balance Beginning of Year			228,557		186,166
Fund Balance End of Year			\$ 266,900		\$ 228,557

Pitkin County, Colorado
Translator Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 811,138	\$ 811,138	\$ 807,549	\$ (3,589)	\$ 772,359
Intergovernmental	-	150,000	133,178	(16,822)	-
Charges for services	-	-	346	346	498
Investment earnings	12,720	12,720	20,057	7,337	10,813
Miscellaneous	51,790	51,790	28,944	(22,846)	30,420
Total Revenues	<u>875,648</u>	<u>1,025,648</u>	<u>990,074</u>	<u>(35,574)</u>	<u>814,090</u>
Expenditures					
Current:					
Public works	1,273,770	2,321,313	1,285,684	1,035,629	564,995
Total Expenditures	<u>1,273,770</u>	<u>2,321,313</u>	<u>1,285,684</u>	<u>1,035,629</u>	<u>564,995</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(398,122)	(1,295,665)	(295,610)	1,000,055	249,095
Other Financing Sources (Uses)					
Sale of capital assets	7,200	7,200	-	(7,200)	-
Transfers out	-	(505,000)	(289,460)	215,540	-
Total Other Financing Sources (Uses)	<u>7,200</u>	<u>(497,800)</u>	<u>(289,460)</u>	<u>208,340</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ (390,922)</u>	<u>\$ (1,793,465)</u>	(585,070)	<u>\$ 1,208,395</u>	249,095
Fund Balance Beginning of Year			2,083,308		1,834,213
Fund Balances End of Year			<u>\$ 1,498,238</u>		<u>\$ 2,083,308</u>

Pitkin County, Colorado
Healthy Community Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 2,232,911	\$ 2,232,911	\$ 2,222,974	\$ (9,937)	\$ 2,144,246
Investment earnings	4,460	4,460	5,584	1,124	2,476
Total Revenues	<u>2,237,371</u>	<u>2,237,371</u>	<u>2,228,558</u>	<u>(8,813)</u>	<u>2,146,722</u>
Expenditures					
Current:					
Public works	84,000	84,000	84,000	-	88,500
Health and welfare	1,481,469	1,564,009	1,455,190	108,819	1,324,189
Culture and recreation	184,000	184,000	184,000	-	176,000
Total Expenditures	<u>1,749,469</u>	<u>1,832,009</u>	<u>1,723,190</u>	<u>108,819</u>	<u>1,588,689</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	487,902	405,362	505,368	100,006	558,033
Other Financing Sources (Uses)					
Transfers out	(496,879)	(496,879)	(479,571)	17,308	(499,088)
Total Other Financing Sources (Uses)	<u>(496,879)</u>	<u>(496,879)</u>	<u>(479,571)</u>	<u>17,308</u>	<u>(499,088)</u>
Net Change in Fund Balance	<u>\$ (8,977)</u>	<u>\$ (91,517)</u>	25,797	<u>\$ 117,314</u>	58,945
Fund Balance Beginning of Year			204,483		145,538
Fund Balance End of Year			<u>\$ 230,280</u>		<u>\$ 204,483</u>

Pitkin County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Intergovernmental	\$ 58,000	\$ 58,000	\$ 65,420	\$ 7,420	\$ 74,042
Investment earnings	280	280	270	(10)	166
Total Revenues	<u>58,280</u>	<u>58,280</u>	<u>65,690</u>	<u>7,410</u>	<u>74,208</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	58,280	58,280	65,690	7,410	74,208
Other Financing Sources (Uses)					
Transfers out	<u>(58,000)</u>	<u>(58,000)</u>	<u>(69,000)</u>	<u>(11,000)</u>	<u>(69,000)</u>
Total Other Financing Sources (Uses)	<u>(58,000)</u>	<u>(58,000)</u>	<u>(69,000)</u>	<u>(11,000)</u>	<u>(69,000)</u>
Net Change in Fund Balance	<u>\$ 280</u>	<u>\$ 280</u>	<u>(3,310)</u>	<u>\$ (3,590)</u>	5,208
Fund Balance Beginning of Year			<u>5,423</u>		<u>215</u>
Fund Balance End of Year			<u>\$ 2,113</u>		<u>\$ 5,423</u>

Pitkin County, Colorado
Healthy Rivers and Streams Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 997,838	\$ 997,838	\$ 1,018,512	\$ 20,674	\$ 977,146
Charges for services	-	-	159	159	305
Investment earnings	22,540	22,540	23,650	1,110	11,262
Total Revenues	<u>1,020,378</u>	<u>1,020,378</u>	<u>1,042,321</u>	<u>21,943</u>	<u>988,713</u>
Expenditures					
Current:					
Culture and recreation	1,494,944	2,397,944	938,111	1,459,833	602,918
Total Expenditures	<u>1,494,944</u>	<u>2,397,944</u>	<u>938,111</u>	<u>1,459,833</u>	<u>602,918</u>
Net Change in Fund Balance	<u>\$ (474,566)</u>	<u>\$ (1,377,566)</u>	104,210	<u>\$ 1,481,776</u>	385,795
Fund Balance Beginning of Year			<u>2,537,453</u>		<u>2,151,658</u>
Fund Balance End of Year			<u>\$ 2,641,663</u>		<u>\$ 2,537,453</u>

Pitkin County, Colorado
Ambulance District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 1,056,942	\$ 1,056,942	\$ 1,051,168	\$ (5,774)	\$ 810,100
Charges for services	-	-	48	48	221
Investment earnings	3,400	3,400	10,199	6,799	3,224
Total Revenues	<u>1,060,342</u>	<u>1,060,342</u>	<u>1,061,415</u>	<u>1,073</u>	<u>813,545</u>
Expenditures					
Current:					
Public safety	1,067,401	1,411,212	453,213	957,999	460,483
Total Expenditures	<u>1,067,401</u>	<u>1,411,212</u>	<u>453,213</u>	<u>957,999</u>	<u>460,483</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,059)	(350,870)	608,202	959,072	353,062
Other Financing Sources (Uses)					
Sale of capital assets	40,000	40,000	-	(40,000)	-
Total Other Financing Sources (Uses)	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>	<u>-</u>
Net Change in Fund Balance	<u>\$ 32,941</u>	<u>\$ (310,870)</u>	608,202	<u>\$ 919,072</u>	353,062
Fund Balance Beginning of Year			706,054		352,992
Fund Balance End of Year			<u>\$ 1,314,256</u>		<u>\$ 706,054</u>

Pitkin County, Colorado
Redstone Ranch Acres Improvement District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 9,889	\$ 9,889	\$ 9,913	\$ 24	\$ 9,020
Investment earnings	280	280	135	(145)	88
Total Revenues	<u>10,169</u>	<u>10,169</u>	<u>10,048</u>	<u>(121)</u>	<u>9,108</u>
Expenditures					
Current:					
Public works	<u>7,479</u>	<u>15,479</u>	<u>11,348</u>	<u>4,131</u>	<u>17,477</u>
Total Expenditures	<u>7,479</u>	<u>15,479</u>	<u>11,348</u>	<u>4,131</u>	<u>17,477</u>
Net Change in Fund Balance	<u>\$ 2,690</u>	<u>\$ (5,310)</u>	<u>(1,300)</u>	<u>\$ 4,010</u>	<u>(8,369)</u>
Fund Balance Beginning of Year			<u>8,583</u>		<u>16,952</u>
Fund Balance End of Year			<u>\$ 7,283</u>		<u>\$ 8,583</u>

Pitkin County, Colorado
Twining Flats Improvement District
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 18,521	\$ 18,521	\$ 18,596	\$ 75	\$ 17,301
Investment earnings	350	350	304	(46)	160
Total Revenues	<u>18,871</u>	<u>18,871</u>	<u>18,900</u>	<u>29</u>	<u>17,461</u>
Expenditures					
Current:					
Public works	9,897	9,897	7,090	2,807	6,225
Debt Service:					
Principal	8,567	8,567	8,557	-	8,072
Interest and fiscal charges	936	936	803	-	1,248
Total Expenditures	<u>19,400</u>	<u>19,400</u>	<u>16,450</u>	<u>2,807</u>	<u>15,545</u>
Net Change in Fund Balance	<u>\$ (529)</u>	<u>\$ (529)</u>	2,450	<u>\$ 2,836</u>	1,916
Fund Balance Beginning of Year			<u>24,680</u>		<u>22,764</u>
Fund Balance End of Year			<u>\$ 27,130</u>		<u>\$ 24,680</u>

Pitkin County, Colorado
Transit Sales Tax Revenue Bonds
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 598,643	\$ 598,643	\$ 600,664	\$ 2,021	\$ 599,764
Intergovernmental	56,000	56,000	56,413	413	56,292
Investment earnings	1,260	1,260	2,058	798	1,142
Total Revenues	<u>655,903</u>	<u>655,903</u>	<u>659,135</u>	<u>3,232</u>	<u>657,198</u>
Expenditures					
Debt Service:					
Principal	330,000	330,000	330,000	-	325,000
Interest and fiscal charges	325,903	325,903	327,903	(2,000)	332,343
Total Expenditures	<u>655,903</u>	<u>655,903</u>	<u>657,903</u>	<u>(2,000)</u>	<u>657,343</u>
Net Change in Fund Balance	<u>\$ -</u>	<u>\$ -</u>	1,232	<u>\$ 1,232</u>	(145)
Fund Balance Beginning of Year			<u>164,633</u>		<u>164,778</u>
Fund Balance End of Year			<u>\$ 165,865</u>		<u>\$ 164,633</u>

Pitkin County, Colorado
Airport Fund
Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016	2015
Operating Revenues		
Charges for services	\$ 4,127,180	\$ 3,844,090
Rents and franchises	4,554,172	4,903,536
Miscellaneous	78	200
Total Operating Revenues	8,681,430	8,747,826
Operating Expenses		
Personnel services	2,945,880	2,554,847
Purchased services	5,529,993	4,471,487
Materials and supplies	263,204	207,596
Depreciation	4,837,114	4,879,908
Total Operating Expenses	13,576,191	12,113,838
Operating Income (Loss)	(4,894,761)	(3,366,012)
Non-operating Revenues (Expenses)		
Interest revenue	147,274	71,817
Intergovernmental revenue	1,996,975	1,334,674
Net gain (loss) on disposition of capital assets	31,028	-
Total Non-operating Revenues (Expenses)	2,175,277	1,406,491
Income (Loss) Before Capital Contributions	(2,719,484)	(1,959,521)
Capital contributions	1,596,744	1,523,034
Change in Net Position	(1,122,740)	(436,487)
Net Position Beginning of Year (as restated)	93,112,043	93,548,530
Net Position End of Year	\$ 91,989,303	\$ 93,112,043

Pitkin County, Colorado
Airport Fund
Schedule of Revenues and Expenditures - Budget (Non-GAAP Basis) and Actual (GAAP Basis)
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
GAAP-based operating revenues	\$ 8,198,917	\$ 8,198,917	\$ 8,681,430	\$ 482,513	\$ 8,747,826
GAAP-based interest revenues	133,030	133,030	147,274	14,244	71,817
GAAP-based other non-operating revenue	545,000	3,097,597	1,996,975	(1,100,622)	1,334,751
GAAP-based contributions from federal government and others	1,375,000	1,375,000	1,596,744	221,744	1,523,034
Total Budgetary-Based Revenues	<u>10,251,947</u>	<u>12,804,544</u>	<u>12,422,423</u>	<u>(382,121)</u>	<u>11,677,428</u>
Expenditures					
GAAP-based operating expenses	7,175,517	11,916,969	13,576,191	(1,659,222)	12,113,838
Deduct depreciation	-	-	(4,837,114)	4,837,114	(4,879,908)
Add acquisition of property and equipment	1,190,000	4,533,038	595,783	3,937,255	1,147,764
Total Budgetary-Based Expenditures	<u>8,365,517</u>	<u>16,450,007</u>	<u>9,334,860</u>	<u>7,115,147</u>	<u>8,381,694</u>
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	7,000	7,000	50,925	43,925	-
Total Budgetary-Based Other Financing Sources	<u>\$ 7,000</u>	<u>\$ 7,000</u>	<u>\$ 50,925</u>	<u>\$ 43,925</u>	<u>\$ -</u>

Pitkin County, Colorado
Solid Waste Center Fund
Schedule of Revenues, Expenses and Changes in Net Position
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016	2015
Operating Revenues		
Charges for services	\$ 6,141,320	\$ 6,236,440
Total Operating Revenues	<u>6,141,320</u>	<u>6,236,440</u>
Operating Expenses		
Personnel services	1,216,390	771,631
Purchased services	2,401,889	4,348,059
Materials and supplies	152,168	109,476
Depreciation	482,733	160,846
Postclosure	<u>138,627</u>	<u>132,572</u>
Total Operating Expenses	<u>4,391,807</u>	<u>5,522,584</u>
Operating Income (Loss)	1,749,513	713,856
Non-operating Revenues (Expenses)		
Interest revenue	42,085	30,865
Grants awarded	99,213	171,534
Gain (loss) on disposition of capital assets	<u>(19,451)</u>	<u>15,171</u>
Total Non-operating Revenues (Expenses)	<u>121,847</u>	<u>217,570</u>
Change in Net Position	1,871,360	931,426
Net Position Beginning of Year	<u>6,851,475</u>	<u>5,920,049</u>
Net Position End of Year	<u><u>\$ 8,722,835</u></u>	<u><u>\$ 6,851,475</u></u>

Pitkin County, Colorado
Solid Waste Center Fund
Schedule of Revenues and Expenditures - Budget (Non-GAAP Basis) and Actual (GAAP Basis)
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
GAAP-based operating revenues	\$ 5,193,300	\$ 5,193,300	\$ 6,141,320	\$ 948,020	\$ 6,236,440
GAAP-based interest revenues	54,800	54,800	42,086	(12,714)	30,865
GAAP-based contributions from federal government and others	35,000	222,662	99,213	(123,449)	171,534
Total Budgetary-Based Revenues	<u>5,283,100</u>	<u>5,470,762</u>	<u>6,282,619</u>	<u>811,857</u>	<u>6,438,839</u>
Expenditures					
GAAP-based operating expenses	3,847,778	3,932,432	4,391,807	(459,375)	5,522,584
Deduct depreciation	-	-	(482,733)	482,733	(160,846)
Deduct postclosure accrual	-	-	(138,627)	138,627	(132,572)
Increase (decrease) in inventory	-	-	(70,642)	70,642	73,355
Add acquisition of property and equipment	-	766,623	416,368	350,255	3,355,538
Total Budgetary-Based Expenditures	<u>3,847,778</u>	<u>4,699,055</u>	<u>4,116,173</u>	<u>582,882</u>	<u>8,658,059</u>
Other Financing Sources (Uses)					
GAAP-based proceeds from sale of capital assets	-	-	354	354	119,343
Total Budgetary-Based Other Financing Sources	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 354</u>	<u>\$ 354</u>	<u>\$ 119,343</u>

Pitkin County, Colorado
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2016

	Balance January 1, 2016	Additions	Deletions	Balance December 31, 2016
<u>County Clearing Fund</u>				
Assets				
Equity in pooled cash and investments	\$ 1,082,342	\$ 227,063,335	\$ 226,968,917	\$ 1,176,760
Liabilities				
Due to other governments	\$ 460,112	\$ 5,294,104	\$ 5,336,716	\$ 417,500
Funds held for others	622,230	221,769,231	221,632,201	759,260
Total Liabilities	<u>\$ 1,082,342</u>	<u>\$ 227,063,335</u>	<u>\$ 226,968,917</u>	<u>\$ 1,176,760</u>
<u>Taxing Districts</u>				
Assets				
Equity in pooled cash and investments	\$ (30,687)	\$ 91,145,906	\$ 91,132,863	\$ (17,644)
Liabilities				
Due to other governments	\$ (30,687)	\$ 91,145,906	\$ 91,132,863	\$ (17,644)
<u>Other Agencies</u>				
Assets				
Equity in pooled cash and investments	\$ 1,067,076	\$ 521,630	\$ 637,848	\$ 950,858
Liabilities				
Funds held for others	\$ 1,067,076	\$ 521,630	\$ 637,848	\$ 950,858
<u>Other Clearing Fund</u>				
Assets				
Equity in pooled cash and investments	\$ 320,855	\$ 3,460	\$ 1,872	\$ 322,443
Liabilities				
Due to other governments	\$ 320,855	\$ 3,460	\$ 1,872	\$ 322,443
<u>Total - All Agency Funds</u>				
Assets				
Equity in pooled cash and investments	\$ 2,439,586	\$ 318,734,331	\$ 318,741,500	\$ 2,432,417
Liabilities				
Due to other governments	\$ 750,280	\$ 96,443,470	\$ 96,471,451	\$ 722,299
Funds held for others	1,689,306	222,290,861	222,270,049	1,710,118
Total Liabilities	<u>\$ 2,439,586</u>	<u>\$ 318,734,331</u>	<u>\$ 318,741,500</u>	<u>\$ 2,432,417</u>

Pitkin County, Colorado
Pitkin County Library District Discretely Presented Component Unit
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for the year ended December 31, 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Variance with Final Budget	Actual
Revenues					
Taxes	\$ 3,876,701	\$ 3,876,701	\$ 3,860,575	\$ (16,126)	\$ 3,742,017
Intergovernmental	-	-	5,281	5,281	-
Charges for services	-	-	8,559	8,559	5,700
Fines and forfeitures	29,667	29,667	18,368	(11,299)	21,039
Investment earnings	-	-	43,458	43,458	33,530
Miscellaneous	621,995	2,189,143	2,360,714	171,571	1,351,925
Total Revenues	4,528,363	6,095,511	6,296,955	201,444	5,154,211
Expenditures					
Current:					
Culture and recreation	3,719,961	10,874,649	9,753,589	1,121,060	9,591,102
Total Expenditures	3,719,961	10,874,649	9,753,589	1,121,060	9,591,102
Excess (Deficiency) of Revenues Over (Under) Expenditures	808,402	(4,779,138)	(3,456,634)	1,322,504	(4,436,891)
Other Financing Sources (Uses)					
Sale of capital assets	5,115	5,115	2,961	(2,154)	6,287
Total Other Financing Sources (Uses)	5,115	5,115	2,961	(2,154)	6,287
Net Change in Fund Balance	\$ 813,517	\$ (4,774,023)	(3,453,673)	\$ 1,320,350	(4,430,604)
Fund Balance Beginning of Year			4,972,921		9,403,525
Fund Balance End of Year			\$ 1,519,248		\$ 4,972,921

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COMBINED SCHEDULE OF CASH AND INVESTMENTS

Pitkin County, Colorado
Combined Schedule of Cash and Investments
December 31, 2016

		Interest Rate	Maturity Date	Fair Value
Pooled cash and investments				
U.S Agencies and Instrumentalities				
Federal Home Loan Mortgage Corporation				
Par Value	\$ 500,000	1.000%	6/29/2017	\$ 500,770
Par Value	\$ 500,000	1.000%	12/28/2018	497,115
Par Value	\$ 1,250,000	1.400%	12/27/2019	1,242,088
Federal Farm Credit Bank				
Par Value	\$ 1,000,000	1.300%	7/17/2017	1,002,420
Par Value	\$ 1,050,000	0.900%	11/15/2017	1,050,000
				<u>\$ 4,292,393</u>
Bank Certificates of Deposit				
First Western Trust Bank		1.130%	9/10/2017	500,000
First Western Trust Bank		1.050%	5/16/2018	1,750,000
First Western Trust Bank		1.100%	8/15/2018	5,000,000
First Western Trust Bank		1.180%	9/12/2018	1,000,000
First Western Trust Bank		1.180%	11/15/2018	2,000,000
First Western Trust Bank		1.250%	5/16/2019	1,000,000
First Western Trust Bank		1.370%	9/12/2019	1,000,000
First Western Trust Bank		1.370%	11/15/2019	3,000,000
Solera National Bank, Lakewood		0.900%	4/16/2017	1,000,000
Solera National Bank, Lakewood		0.950%	1/19/2019	1,000,000
Solera National Bank, Lakewood		1.050%	7/18/2019	1,000,000
FDIC-insured Negotiable CD's		varies	varies	35,368,600
				<u>\$ 53,618,600</u>
Bank Deposits - Money Market, Checking and Savings Accounts				
Alpine Bank		0.520%	-	\$ 443,801
Vectra Bank, Colorado		0.000%	-	2,500,000
Wells Fargo Bank		0.010%	-	3,218
Solera National Bank, Lakewood		0.500%	-	1,533,362
Vectra Bank Colorado sweep account		0.250%	-	2,206,874
				<u>\$ 6,687,255</u>

Pitkin County, Colorado
Combined Schedule of Cash and Investments (continued)
December 31, 2016

	Interest Rate	Maturity Date	Fair Value
Pooled cash and investments			
Local Government Surplus Trust Funds			
COLOTRUST +	0.120%	-	\$ 26,643,537
CSAFE	0.120%	-	22,365,472
Colorado Statewide Investment Program	0.110%	-	4,487
			<u>\$ 49,013,496</u>
Money Market Mutual Funds			
UMB Treasury	0.800%		\$ 19,350
			<u>\$ 19,350</u>
Petty cash			\$ 8,725
Deposits in transit less bank transfers in process			30,826
Less: outstanding warrants			<u>(997,238)</u>
TOTAL POOLED CASH AND INVESTMENTS			<u><u>\$ 112,673,407</u></u>
Other Cash and Investments			
Dodge & Cox International Stock			\$ 5,056
Oakmark International Small Cap			2,063
Wells Fargo Emerging Markets			1,081
T Rowe Price Mid Cap Growth			5,785
Total Pitkin County Library District Other Cash and Investments			<u>\$ 13,985</u>
Retirement Trust Fund			
Mutual Funds held at Wells Fargo Bank, trustee			<u>\$ 30,397,801</u>
TOTAL OTHER CASH AND INVESTMENTS			<u><u>\$ 30,411,786</u></u>

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COMBINED SCHEDULE OF GOVERNMENTAL REVENUES BY SOURCE

Pitkin County, Colorado
Combined Schedule of Governmental Revenues by Source
For the Year Ended December 31, 2016

	MAJOR FUNDS			
	General Fund	Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Employee Housing Impact Fund
Taxes and Special Assessments				
Property taxes	\$ 6,689,156	\$ -	\$ 10,960,104	\$ -
Specific ownership taxes	222,663	-	364,683	-
General sales tax	7,634,349	14,627,954	-	-
Selective sales and use taxes	-	1,438,921	-	-
Other taxes	15,595	-	-	-
Penalties and interest	11,321	-	18,423	-
Total taxes	14,573,084	16,066,875	11,343,210	-
Intergovernmental Revenue				
Federal	1,677,653	-	-	-
State	234,094	-	-	-
Other governmental	2,759,756	-	562,958	-
Total intergovernmental revenues	4,671,503	-	562,958	-
Licenses and Permits				
Business	58,510	-	-	-
Non-business	1,016,770	-	12,231	-
Total licenses and permits	1,075,280	-	12,231	-
Charges for Services				
General government	6,239,721	-	-	-
Public safety	221,891	-	-	-
Public works	186	-	-	-
Health and welfare	107,874	-	-	-
Culture and recreation	11,057	-	-	-
Conservation of natural resources	10,954	-	-	-
Refunds	-	3	32,587	420
Total charges for services	6,591,683	3	32,587	420
Fines and forfeits				
Courts	40,271	-	-	-
County fines	245	-	2,900	-
Total fines and forfeits	40,516	-	2,900	-
Miscellaneous				
Investment earnings	246,704	75,187	131,267	102,698
Impact fees	91,559	-	-	507,915
Rents and royalties	290,905	-	15,743	70,089
Contributions	39,066	-	233,786	-
Other	59,727	-	18	1
Total Miscellaneous	727,961	75,187	380,814	680,703
TOTAL REVENUES	\$ 27,680,027	\$ 16,142,065	\$ 12,334,700	\$ 681,123

NON-MAJOR FUNDS

Road and Bridge Fund	Social Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy Rivers and Streams Fund	Ambulance District
\$ 490,913	\$ 189,962	\$ 780,208	\$ 2,147,716	\$ -	\$ -	\$ 1,015,706
16,342	6,321	25,973	71,500	-	-	33,819
1,070,352	-	-	-	-	1,018,512	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
862	332	1,368	3,758	-	-	1,643
1,578,469	196,615	807,549	2,222,974	-	1,018,512	1,051,168
-	686,845	-	-	-	-	-
1,231,988	1,301,901	133,178	-	65,420	-	-
45,035	218,800	-	-	-	-	-
1,277,023	2,207,546	133,178	-	65,420	-	-
15,360	-	-	-	-	-	-
-	-	-	-	-	-	-
15,360	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	4,908	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
4,478	-	346	-	-	159	48
4,478	4,908	346	-	-	159	48
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	1,963	20,057	5,584	270	23,650	10,199
-	-	-	-	-	-	-
-	-	28,944	-	-	-	-
-	3,000	-	-	-	-	-
-	-	-	-	-	-	-
-	4,963	49,001	5,584	270	23,650	10,199
<u>\$ 2,875,330</u>	<u>\$ 2,414,032</u>	<u>\$ 990,074</u>	<u>\$ 2,228,558</u>	<u>\$ 65,690</u>	<u>\$ 1,042,321</u>	<u>\$ 1,061,415</u>

Pitkin County, Colorado
Combined Schedule of Governmental Revenues by Source (Continued)
For the Year Ended December 31, 2016

	NON-MAJOR FUNDS		
	Redstone Ranch Acres Improvement District	Twining Flats Improvement District	Transit Debt Service Fund
Taxes and Special Assessments			
Property taxes	\$ 9,582	\$ 17,947	\$ -
Specific ownership taxes	317	593	-
General sales tax	-	-	600,664
Selective sales and use tax	-	-	-
Other taxes	-	-	-
Penalties and interest	14	56	-
Total taxes	9,913	18,596	600,664
Intergovernmental Revenue			
Federal	-	-	56,413
State	-	-	-
Other governmental	-	-	-
Total intergovernmental revenues	-	-	56,413
Licenses and Permits			
Business	-	-	-
Non-business	-	-	-
Total licenses and permits	-	-	-
Charges for Services			
General government	-	-	-
Public safety	-	-	-
Public works	-	-	-
Health and welfare	-	-	-
Culture and recreation	-	-	-
Conservation of natural resources	-	-	-
Refunds	-	-	-
Total charges for services	-	-	-
Fines and forfeits			
Courts	-	-	-
County fines	-	-	-
Library	-	-	-
Total fines and forfeits	-	-	-
Miscellaneous			
Investment earnings	135	304	2,058
Impact fees	-	-	-
Rents and royalties	-	-	-
Contributions	-	-	-
Other	-	-	-
Total Miscellaneous	135	304	2,058
TOTAL REVENUES	\$ 10,048	\$ 18,900	\$ 659,135

Primary Government Combined Total	Component Unit	Reporting Entity Combined Total
	Pitkin County Library District	
\$ 22,301,294	\$ 3,729,850	\$ 26,031,144
742,211	124,136	866,347
24,951,831	-	24,951,831
1,438,921	-	1,438,921
15,595	-	15,595
37,777	6,589	44,366
49,487,629	3,860,575	53,348,204
2,420,911	-	2,420,911
2,966,581	5,281	2,971,862
3,586,549	-	3,586,549
8,974,041	5,281	8,979,322
73,870	-	73,870
1,029,001	-	1,029,001
1,102,871	-	1,102,871
6,239,721	-	6,239,721
221,891	-	221,891
186	-	186
112,782	-	112,782
11,057	-	11,057
10,954	-	10,954
38,041	8,559	46,600
6,634,632	8,559	6,643,191
40,271	-	40,271
3,145	-	3,145
-	18,368	18,368
43,416	18,368	61,784
620,076	43,458	663,534
599,474	-	599,474
405,681	-	405,681
275,852	2,360,714	2,636,566
59,746	-	59,746
1,960,829	2,404,172	4,365,001
\$ 68,203,418	\$ 6,296,955	\$ 74,500,373

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SCHEDULE OF PASSENGER FACILITY CHARGES ("PFC") COLLECTED AND EXPENDED

Pitkin County, Colorado
SCHEDULE OF PASSENGER FACILITY CHARGES ("PFC") COLLECTED AND EXPENDED

For the Year Ended December 31, 2016

	<u>Amounts for Current Year</u>	<u>Unliquidated Balance</u>
Unliquidated PFC revenues - beginning		\$ -
Revenues:		
Revenues collected from air carriers	\$ 859,133	
Interest earned	-	
Total PFC revenues	<u>\$ 859,133</u>	859,133
Expenditures:		
Approved projects	\$ 859,133	
Total PFC expenditures	<u>\$ 859,133</u>	859,133
Unliquidated PFC revenues - ending		<u>\$ -</u>

LOCAL HIGHWAY FINANCE REPORT

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Pitkin County
		YEAR ENDING : December 2016
This Information From The Records Of (example - City of _ or County of County of Pitkin, Colorado)	Prepared By: Phone:	Susan Atwood (970) 920-5228

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	733,359
3. Other local imposts (from page 2)	3,203,089
4. Miscellaneous local receipts (from page 2)	136,509
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)	4,072,956
B. Private Contributions	-
C. Receipts from State government (from page 2)	1,231,988
D. Receipts from Federal Government (from page 2)	-
E. Total receipts (A.7 + B + C + D)	5,304,944

III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES

ITEM	AMOUNT
A. Local highway disbursements:	
1. Capital outlay (from page 2)	1,566,506
2. Maintenance:	1,077,566
3. Road and street services:	
a. Traffic control operations	29,551
b. Snow and ice removal	747,210
c. Other	145
d. Total (a. through c.)	776,906
4. General administration & miscellaneous	1,110,443
5. Highway law enforcement and safety	763,016
6. Total (1 through 5)	5,294,437
B. Debt service on local obligations:	
1. Bonds:	
a. Interest	803
b. Redemption	8,557
c. Total (a. + b.)	9,360
2. Notes:	
a. Interest	-
b. Redemption	-
c. Total (a. + b.)	-
3. Total (1.c + 2.c)	9,360
C. Payments to State for highways	-
D. Payments to toll facilities	-
E. Total disbursements (A.6 + B.3 + C + D)	5,303,797

IV. LOCAL HIGHWAY DEBT STATUS

(Show all entries at par)

	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	8,557	-	8,557	-
1. Bonds (Refunding Portion)				
B. Notes (Total)				-

V. LOCAL ROAD AND STREET FUND BALANCE

	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
	33,263	5,304,944	5,303,797	34,410	-

Notes and Comments:

Note 1 General Fund Appropriations:

Transfer From General Fund	763,016
Sheriff expenditures for traffic	145
Amount available from Non-Highway	(29,802)
Total	733,359

FORM FHWA-536 (Rev. 1-05)

PREVIOUS EDITIONS OBSOLETE

(Next Page)

LOCAL HIGHWAY FINANCE REPORT		STATE: Colorado YEAR ENDING (mm/yy): December 2016	
II. RECEIPTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
A.3. Other local imposts:		A.4. Miscellaneous local receipts:	
a. Property Taxes and Assessments	518,015	a. Interest on investments	439
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	2,543,975	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	89,764	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	107,800
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	51,335	g. Other Misc. Receipts (Note 2)	28,270
6. Total (1. through 5.)	2,685,074	h. Other	
c. Total (a. + b.)	3,203,089	i. Total (a. through h.)	136,509
(Carry forward to page 1)		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,174,946	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	41,043	d. Federal Transit Admin	
d. Other (Specify) CMAQ Grant	16,000	e. U.S. Corps of Engineers	
e. Other (Specify) CDOT Reimburse	-	f. Other Federal-Reimburse Road Project)	-
f. Total (a. through e.)	57,043	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	1,231,988	3. Total (1. + 2.g)	
		(Carry forward to page 1)	
III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES - DETAIL			
	ON NATIONAL HIGHWAY SYSTEM (a)	OFF NATIONAL HIGHWAY SYSTEM (b)	TOTAL (c)
A.1. Capital outlay:			
a. Right-Of-Way Costs		7,852	7,852
b. Engineering Costs	0	235,468	235,468
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements		-	-
(3). System Preservation		1,288,184	1,288,184
(4). System Enhancement & Operation		35,002	35,002
(5). Total Construction (1) + (2) + (3) + (4)	-	1,323,186	1,323,186
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	1,566,506	1,566,506
	16,629		(Carry forward to page 1)
Notes and Comments:			
Note 2 Other Receipts Access Permits 15,360 Reimbursement for Engineering Services 10,952 Misc Reimbursement 1,958 Total <u>28,270</u>			

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STATISTICAL SECTION

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This part of Pitkin County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Contents:	Pages
Financial Trends	G2-G11
These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.	
Revenue Capacity	G12-G21
These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	
Debt Capacity	G22-G27
These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future	
Demographic and Economic Information	G28-G31
These schedules offer demographic indicators to help the reader understand the environment within which the County's financial activities take place.	
Operating Information	G32-G39
These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the service the County provides and the activities it performs.	

Pitkin County, Colorado
Net Position by Component
Accrual basis of accounting
(Unaudited)

Last Ten Years

	2007	2008	2009	2010
Governmental activities				
Net investment in capital assets	\$ 102,497,894	\$ 118,334,844	\$ 134,717,335	\$ 155,994,598
Restricted				
Open space	124,702	357,824	-	(10,371,301)
Transportation and roads	16,316,370	11,621,432	11,510,491	10,926,613
Affordable housing	7,753,510	8,851,035	9,359,852	9,627,638
Highway 82 construction	663,633	547,179	429,955	-
Statutory reserve for emergencies	1,439,952	1,531,840	1,479,061	1,549,059
Debt service	482,170	185,560	144,210	38,088
Ambulance district	1,148,965	1,065,919	864,120	749,494
General Fund restrictions	1,109,157	1,199,502	1,175,261	462,386
Human services and public welfare services	257,316	379,060	327,952	251,858
TV and FM broadcast services	842,480	1,069,303	199,883	705,205
Public Improvement Districts	5,957	4,973	12,380	16,167
Healthy Rivers and Streams fund	-	-	626,522	994,032
Unrestricted	11,224,305	10,715,439	9,475,854	9,312,588
Total governmental activities net position	<u>\$ 143,866,411</u>	<u>\$ 155,863,910</u>	<u>\$ 170,322,876</u>	<u>\$ 180,256,425</u>
Business-type activities				
Net investment in capital assets	\$ 73,322,031	\$ 71,671,246	\$ 72,977,503	\$ 71,535,132
Restricted				
Inventory	-	-	-	328,500
Airport	6,349,656	10,542,488	10,438,724	11,271,356
Unrestricted	3,849,070	3,791,453	1,585,119	1,457,411
Total business-type activities net position	<u>\$ 83,520,757</u>	<u>\$ 86,005,187</u>	<u>\$ 85,001,346</u>	<u>\$ 84,592,399</u>
Primary government				
Net investment in capital assets	\$ 175,819,925	\$ 190,006,090	\$ 207,694,838	\$ 227,529,730
Restricted				
Open space	124,702	357,824	-	(10,371,301)
Transportation	16,316,370	11,621,432	11,510,491	10,926,613
Affordable housing	7,753,510	8,851,035	9,359,852	9,627,638
Highway 82 construction	663,633	547,179	429,955	-
Statutory reserve for emergencies	1,439,952	1,531,840	1,479,061	1,549,059
Debt service	482,170	185,560	144,210	38,088
Ambulance district	1,148,965	1,065,919	864,120	749,494
Airport	6,349,656	10,542,488	10,438,724	11,271,356
General Fund local restrictions	1,109,157	1,199,502	1,175,261	462,386
Human services and public welfare services	257,316	379,060	327,952	251,858
TV and FM broadcast services	842,480	1,069,303	199,883	705,205
Public Improvement Districts	5,957	4,973	12,380	16,167
Health Rivers and Streams fund	-	-	626,522	994,032
Inventory	-	-	-	-
Unrestricted	15,073,375	14,506,892	11,060,973	10,769,999
Total primary government net position	<u>\$ 227,387,168</u>	<u>\$ 241,869,097</u>	<u>\$ 255,324,222</u>	<u>\$ 264,520,324</u>

2011	2012	2013	2014	2015	2016
\$ 155,315,076	\$ 156,145,670	\$ 163,064,743	\$ 163,996,394	\$ 169,476,255	\$ 183,411,917
1,271,200	7,845,021	11,700,476	12,424,047	11,110,688	12,489,136
11,388,957	10,765,759	9,045,939	9,742,308	6,589,923	6,953,826
10,156,826	10,699,581	10,953,370	11,316,763	11,143,662	11,753,303
-	-	-	-	-	-
1,579,598	657,180	1,638,544	1,748,746	1,822,998	1,942,448
38,238	31,772	47,588	164,778	164,633	165,864
626,354	484,156	398,674	339,678	681,648	1,282,414
462,380	468,374	683,307	456,839	458,887	651,790
182,556	196,020	157,007	230,533	324,825	378,597
1,022,704	1,277,574	1,589,450	1,810,330	2,058,885	1,468,536
20,532	27,729	37,370	38,934	32,466	33,545
1,067,010	1,397,160	1,541,046	2,124,161	2,507,793	2,610,393
14,930,468	14,657,523	16,284,068	24,186,409	26,404,400	20,139,166
<u>\$ 198,061,899</u>	<u>\$ 204,653,519</u>	<u>\$ 217,141,582</u>	<u>\$ 228,579,920</u>	<u>\$ 232,777,063</u>	<u>\$ 243,280,935</u>
\$ 81,664,910	\$ 86,982,831	\$ 83,918,960	\$ 89,953,231	\$ 82,401,454	\$ 77,964,189
189,991	378,744	374,354	377,136	450,491	379,850
9,738,075	9,305,157	12,373,515	13,020,758	16,316,435	19,454,924
1,033,193	1,118,178	2,200,305	3,117,455	885,005	2,913,175
<u>\$ 92,626,169</u>	<u>\$ 97,784,910</u>	<u>\$ 98,867,134</u>	<u>\$ 106,468,580</u>	<u>\$ 100,053,385</u>	<u>\$ 100,712,138</u>
\$ 236,979,986	\$ 243,128,501	\$ 246,983,703	\$ 253,949,625	\$ 251,877,709	\$ 261,376,106
1,271,200	7,845,021	11,700,476	12,424,047	11,110,688	12,489,136
11,388,957	10,765,759	9,045,939	9,742,308	6,589,923	6,953,826
10,156,826	10,699,581	10,953,370	11,316,763	11,143,662	11,753,303
-	-	-	-	-	-
1,579,598	657,180	1,638,544	1,748,746	1,822,998	1,942,448
38,238	31,772	47,588	164,778	164,633	165,864
626,354	484,156	398,674	339,678	681,648	1,282,414
9,738,075	9,305,157	12,373,515	13,020,758	16,316,435	19,454,924
462,380	468,374	683,307	456,839	458,887	651,790
182,556	196,020	157,007	230,533	324,825	378,597
1,022,704	1,277,574	1,589,450	1,810,330	2,058,885	1,468,536
20,532	27,729	37,370	38,934	32,466	33,545
1,067,010	1,397,160	1,541,046	2,124,161	2,507,793	2,610,393
189,991	378,744	374,354	377,136	450,491	379,850
15,963,661	15,775,701	18,484,373	27,303,864	27,289,405	23,052,341
<u>\$ 290,688,068</u>	<u>\$ 302,438,429</u>	<u>\$ 316,008,716</u>	<u>\$ 335,048,500</u>	<u>\$ 332,830,448</u>	<u>\$ 343,993,073</u>

Pitkin County, Colorado
Changes in Net Position
Accrual basis of accounting
(Unaudited)
Last Ten Years

	2007	2008	2009	2010
Expenses:				
Governmental activities:				
General government	\$ 8,160,025	\$ 8,441,523	\$ 9,112,735	\$ 9,023,399
Public safety	7,215,619	7,781,623	8,585,020	7,677,119
Public works	16,778,835	24,468,535	16,126,086	17,821,483
Health and welfare	3,198,700	3,634,941	4,159,235	4,209,970
Culture and recreation	1,110,754	3,220,314	7,872,276	6,358,219
Conservation of natural resources	13,812	17,947	17,169	8,857
Housing and development	195,534	245,997	231,392	407,926
Interest	1,373,501	1,332,285	1,282,901	1,229,392
Total governmental activities expenses	38,046,780	49,143,165	47,386,814	46,736,365
Business-type activities:				
Airport	7,098,923	9,311,279	10,899,761	11,654,845
Solid Waste Center	4,355,822	4,960,238	5,577,238	4,231,364
Total business-type activities expenses	11,454,745	14,271,517	16,476,999	15,886,209
Program Revenues				
Governmental activities:				
Charges for services				
General government	4,080,854	4,899,997	4,114,865	4,782,871
Public safety	1,894,897	356,337	2,297,844	1,908,214
Public works	510,097	347,218	263,286	1,005,603
Health and welfare	456,344	347,874	377,280	462,440
Culture and recreation	657,433	68,899	240,531	350,487
Conservation of natural resources	-	63,855	2,000	31,167
Housing and development	1,522,276	848,244	368,007	312,051
Operating grants and contributions	2,683,108	2,999,026	3,791,225	3,294,485
Capital grants and contributions	1,470,619	8,179,497	12,402,832	4,306,982
Total governmental activities program revenues	13,275,628	18,110,947	23,857,870	16,454,300
Business-type activities:				
Airport	\$ 18,203,944	\$ 11,082,355	\$ 13,222,489	\$ 11,034,595
Solid Waste Center	5,839,011	5,551,754	3,424,031	3,972,556
Total business-type activities program revenues	24,042,955	16,634,109	16,646,520	15,007,151
Total primary government program revenues	\$ 37,318,583	\$ 34,745,056	\$ 40,504,390	\$ 31,461,451
Net (Expense)/Revenue				
Governmental activities	\$ (24,771,152)	\$ (31,032,218)	\$ (23,528,944)	\$ (30,282,065)
Business-type activities	12,588,210	2,362,592	169,521	(879,058)
Total primary government net expense	\$ (12,182,942)	\$ (28,669,626)	\$ (23,359,423)	\$ (31,161,123)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Property taxes levied for:				
General government purposes	\$ 14,572,139	\$ 18,046,484	\$ 18,594,523	\$ 20,546,313
Debt service	430,048	306,838	478,644	457,332
Sales taxes	19,215,296	19,515,789	17,120,380	18,013,414
Other taxes and miscellaneous	707,765	837,260	660,496	602,280
Investment earnings	3,014,757	2,100,021	863,868	607,991
Gain on sale of capital assets	-	-	-	-
Transfers	270,000	270,000	270,000	270,000
Total governmental activities	\$ 38,210,005	\$ 41,076,392	\$ 37,987,911	\$ 40,497,330
Business-type activities:				
Investment earnings	\$ 611,004	\$ 575,780	\$ 288,825	\$ 176,697
Gain on sale of capital assets	-	702,250	-	-
Transfers	(270,000)	(270,000)	(270,000)	(270,000)
Total business-type activities	341,004	1,008,030	18,825	(93,303)
Total primary government	\$ 38,551,009	\$ 42,084,422	\$ 38,006,736	\$ 40,404,027
Changes in Net Position				
Governmental Activities	\$ 13,438,853	\$ 10,044,174	\$ 14,458,967	\$ 10,215,265
Business-type activities	12,929,214	3,370,622	188,346	(972,361)
Total primary government	\$ 26,368,067	\$ 13,414,796	\$ 14,647,313	\$ 9,242,904

2011	2012	2013	2014	2015	2016
\$ 8,051,591	\$ 8,236,495	\$ 8,939,590	\$ 9,364,000	\$ 10,220,265	\$ 12,080,968
8,315,629	8,836,841	8,239,758	8,956,235	9,522,194	13,220,804
15,695,207	19,091,229	16,818,253	19,842,233	27,826,021	22,706,577
4,437,922	4,892,567	5,043,179	5,445,584	5,697,328	6,362,483
4,408,254	4,082,376	4,584,893	4,767,737	4,924,827	5,726,370
9,998	9,998	5,432	6,369	6,369	4,635
190,523	862,954	274,165	281,801	406,924	368,200
1,257,597	1,201,640	1,170,202	1,090,061	1,049,588	1,050,852
42,366,721	47,214,100	45,075,472	49,754,020	59,653,516	61,520,889
11,445,626	11,377,027	12,234,242	11,995,659	12,023,971	13,576,191
4,340,284	3,777,305	3,813,001	4,312,474	5,522,585	4,391,808
15,785,910	15,154,332	16,047,243	16,308,133	17,546,556	17,967,999
4,672,729	4,279,086	4,563,948	4,744,961	4,985,341	5,267,907
1,734,398	1,870,734	2,238,329	2,957,068	3,087,144	2,323,947
715,231	322,849	446,625	504,687	325,707	184,115
382,618	422,007	347,254	417,826	406,446	420,104
120,316	68,598	428,771	117,219	386,750	130,161
-	-	2,310	11,521	18,803	11,216
482,542	1,110,411	1,030,410	767,942	914,177	578,691
4,230,137	4,581,634	4,673,224	5,392,595	6,343,383	7,160,619
4,098,393	465,500	1,599,777	1,979,674	559,539	2,482,572
16,436,364	13,120,819	15,330,648	16,893,493	17,027,290	18,559,332
\$ 19,680,805	\$ 15,659,494	\$ 12,322,722	\$ 11,322,312	\$ 11,605,612	\$ 12,275,149
4,212,913	4,743,062	4,738,919	5,313,531	6,407,974	6,240,533
23,893,718	20,402,556	17,061,641	16,635,843	18,013,586	18,515,682
\$ 40,330,082	\$ 33,523,375	\$ 32,392,289	\$ 33,529,336	\$ 35,040,876	\$ 37,075,014
\$ (25,930,357)	\$ (34,093,281)	\$ (29,744,824)	\$ (32,860,527)	\$ (42,626,226)	\$ (42,961,557)
8,107,808	5,248,224	1,014,398	327,710	467,030	547,683
\$ (17,822,549)	\$ (28,845,057)	\$ (28,730,426)	\$ (32,532,817)	\$ (42,159,196)	\$ (42,413,874)
\$ 20,794,134	\$ 19,559,084	\$ 20,185,952	\$ 19,872,991	\$ 20,324,359	\$ 22,339,071
461,524	149,675	-	-	-	-
19,245,716	19,834,448	21,194,528	23,317,658	25,384,692	26,390,752
570,500	554,564	658,731	678,158	734,805	757,824
444,870	314,576	287,808	378,102	435,517	620,076
790,367	52,553	-	51,957	(56,005)	147,722
270,000	220,000	-	-	-	-
\$ 42,577,111	\$ 40,684,900	\$ 42,327,019	\$ 44,298,866	\$ 46,823,368	\$ 50,255,445
\$ 129,692	\$ 61,713	\$ 59,093	\$ 86,630	\$ 102,682	\$ 189,360
66,270	68,804	8,733	187,105	15,094	11,577
(270,000)	(220,000)	-	-	-	-
(74,038)	(89,483)	67,826	273,735	117,776	200,937
\$ 42,503,073	\$ 40,595,417	\$ 42,394,845	\$ 44,572,601	\$ 46,941,144	\$ 50,456,382
\$ 16,646,754	\$ 6,591,619	\$ 12,582,195	\$ 11,438,339	\$ 4,197,142	\$ 7,293,888
8,033,770	5,158,741	1,082,224	601,445	584,806	748,620
\$ 24,680,524	\$ 11,750,360	\$ 13,664,419	\$ 12,039,784	\$ 4,781,948	\$ 8,042,508

Pitkin County, Colorado
Changes in Fund Balance, General Fund
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

	2007	2008	2009	2010
Revenues				
Taxes	\$ 9,568,442	\$ 9,287,481	\$ 10,023,482	\$ 10,618,282
Intergovernmental	1,310,871	1,537,503	1,484,289	2,016,001
Licenses and permits	990,259	1,040,534	697,635	677,946
Charges for services	4,789,260	5,255,040	6,043,270	5,455,824
Fines and forfeitures	8,554	6,079	13,820	15,829
Investment earnings	1,429,284	1,051,010	439,429	299,919
Impact fees	-	-	13,015	203,923
Miscellaneous	1,247,822	510,061	396,998	2,191,635
Total Revenues	\$ 19,344,492	\$ 18,687,708	\$ 19,111,938	\$ 21,479,359
Expenditures				
Current:				
General government	9,948,033	8,706,359	8,477,240	8,615,171
Public safety	6,757,492	7,873,225	7,998,223	8,097,589
Public works	201,823	209,986	464,441	230,632
Health and welfare	2,349,622	2,530,399	2,148,851	1,782,583
Housing and development	195,534	245,997	231,392	407,926
Culture and recreation	63,407	101,627	301,395	286,512
Debt Service:				
Principal retirement	-	-	-	-
Interest and fiscal charges	-	-	-	-
Total Expenditures	19,515,911	19,667,593	19,621,542	19,420,413
Excess (Deficiency) of Revenues Over (Under) Expenditures	(171,419)	(979,885)	(509,604)	2,058,946
Other Financing Sources (Uses)				
Sales of capital assets	41,080	27,408	26,645	55,420
Proceeds of general long term debt	-	-	-	-
Premium on debt issuance	-	-	-	-
Transfers in	626,410	648,637	657,353	665,358
Transfers out	(403,168)	(431,121)	(403,180)	(727,361)
Total Other Financing Sources (Uses)	264,322	244,924	280,818	(6,583)
Net Change in Fund Balance	92,903	(734,961)	(228,786)	2,052,363
Fund balance at beginning of year	25,679,305	25,772,208	25,037,247	24,808,461
Fund balance End of year	\$ 25,772,208	\$ 25,037,247	\$ 24,808,461	\$ 26,860,824

2011	2012	2013	2014	2015	2016	2017 original budget
\$ 11,288,860	\$ 12,207,193	\$ 12,959,971	\$ 13,446,029	\$ 14,089,341	\$ 14,573,084	\$ 15,150,182
2,755,678	2,064,764	2,188,799	3,032,095	3,524,132	4,671,503	2,005,355
715,127	750,075	1,200,765	1,608,444	1,773,016	1,075,280	3,750,741
5,833,080	5,415,476	5,574,400	5,990,106	6,172,018	6,591,683	6,338,688
30,139	35,519	46,461	27,860	46,927	40,516	27,500
250,846	162,372	150,397	176,954	226,928	246,704	201,390
-	-	170,150	164,859	520,148	91,559	-
391,206	422,541	484,313	687,420	379,086	389,698	610,490
<u>\$ 21,264,936</u>	<u>\$ 21,057,940</u>	<u>\$ 22,775,256</u>	<u>\$ 25,133,767</u>	<u>\$ 26,731,596</u>	<u>\$ 27,680,027</u>	<u>\$ 28,084,346</u>
7,513,220	8,783,477	8,589,688	9,371,896	10,107,242	17,008,730	12,792,192
8,009,087	8,012,072	7,644,058	8,345,515	9,022,106	13,754,667	10,434,792
101,907	4,568,574	6,026,021	4,632,069	2,561,817	2,689,676	2,956,900
1,756,577	1,899,321	2,124,185	2,247,894	2,327,604	2,467,764	3,025,511
190,523	189,694	225,068	196,500	244,469	214,416	259,200
810,484	39,798	202,852	12,226	33,639	134,452	63,535
-	-	-	-	-	-	475,000
-	-	-	-	-	-	771,850
<u>18,381,798</u>	<u>23,492,936</u>	<u>24,811,872</u>	<u>24,806,100</u>	<u>24,296,877</u>	<u>36,269,705</u>	<u>30,778,980</u>
<u>2,883,138</u>	<u>(2,434,996)</u>	<u>(2,036,616)</u>	<u>327,667</u>	<u>2,434,719</u>	<u>(8,589,678)</u>	<u>(2,694,634)</u>
1,018,786	106,794	128,064	161,239	250,769	199,005	163,840
-	-	-	-	-	22,790,000	-
-	-	-	-	-	742,188	-
665,066	2,120,198	2,559,752	500,697	528,088	803,031	539,595
(69,000)	(4,462,651)	(69,000)	(169,000)	(98,000)	(744,000)	(269,000)
<u>1,614,852</u>	<u>(2,235,659)</u>	<u>2,618,816</u>	<u>492,936</u>	<u>680,857</u>	<u>23,790,224</u>	<u>434,435</u>
4,497,990	(4,670,655)	582,200	820,603	3,115,576	15,200,546	(2,260,199)
26,860,824	31,358,814	26,688,159	27,270,359	28,090,962	31,206,538	46,407,084
<u>\$ 31,358,814</u>	<u>\$ 26,688,159</u>	<u>\$ 27,270,359</u>	<u>\$ 28,090,962</u>	<u>\$ 31,206,538</u>	<u>\$ 46,407,084</u>	<u>\$ 44,146,885</u>

Pitkin County, Colorado
Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund				
Restricted for:				
Debt service	\$ 140,813	\$ 105,591	\$ 70,866	\$ -
Statutory reserves	690,175	671,664	627,570	661,442
State of Colorado landfill fees retained to remediate				
State designated hazardous waste sites	362,243	405,959	430,857	436,882
Clerk's programs	-	-	-	-
Committed for:				
Open space and trails; Park dedication fees	772,248	768,877	719,738	908,850
Affordable housing	4,268,343	4,366,756	4,412,917	4,304,907
Assigned for:				
Appropriated for expenditures in next year's budget	4,108,540	3,099,179	3,482,370	4,578,094
To fund discretionary projects in following year	2,995,115	3,187,142	3,113,472	2,577,537
To fund contingencies over amount				
required by state constitution	3,309,825	3,328,336	3,372,430	3,338,558
To balance 5 year budget	664,623	800,000	200,000	200,000
Air Mitigation Program	24,666	24,666	24,666	24,666
Topsy Taxi program	203,665	200,218	190,111	173,569
Veteran's Memorial maintenance	4,448	4,375	4,265	4,120
Asset replacement for information services,				
dispatch, and various other programs	395,676	408,857	420,552	353,800
Workers' compensation insurance reserve	350,000	350,000	350,000	350,000
Future employee health claims	779,629	861,260	847,152	1,263,990
To fund future workers' compensation liability				
and employee health claims	702,199	723,896	840,915	825,109
To fund future capital projects at the animal shelter	-	-	-	-
Ongoing capital projects	-	-	-	-
To fund capital projects	-	-	-	-
To fund future building needs	6,000,000	5,730,471	5,700,580	5,700,580
Unassigned	-	-	-	-
Total General Fund	<u>\$ 25,772,208</u>	<u>\$ 25,037,247</u>	<u>\$ 24,808,461</u>	<u>\$ 25,702,104</u>
All Other Governmental Funds				
Reserved for:				
Debt service	\$ 490,548	\$ 226,790	\$ 212,886	\$ 168,665
State and Federal Restrictions	-	-	-	-
Statutory reserves	749,777	860,176	851,491	887,617
Voter approved programs	16,613,958	13,912,231	12,061,892	6,723,735
Improvements to Highway 82	663,633	547,179	429,955	-
Committed for:				
Affordable housing	3,525,619	4,508,868	4,960,483	533,934
Assigned for:				
Appropriated for expenditures in next year's budget	246,745	556,783	407,203	429,118
Capital projects	-	-	-	-
Total all other governmental funds	<u>\$ 22,290,280</u>	<u>\$ 20,612,027</u>	<u>\$ 18,923,910</u>	<u>\$ 8,743,069</u>
Total all governmental funds	<u>\$ 48,062,488</u>	<u>\$ 45,649,274</u>	<u>\$ 43,732,371</u>	<u>\$ 34,445,173</u>

2011	2012	2013	2014	2015	2016
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
642,049	657,180	703,449	784,699	832,880	862,460
460,718	468,265	470,625	456,839	458,887	465,133
-	-	212,682	205,309	175,119	186,657
799,096	718,621	723,373	729,478	985,975	312,769
4,343,651	-	-	-	-	-
1,128,359	1,378,786	3,545,787	3,184,216	1,307,904	2,225,920
-	-	-	-	-	-
3,357,951	3,342,820	3,296,551	3,636,304	4,131,942	4,346,734
350,000	350,000	350,000	350,000	-	-
24,666	24,666	-	-	-	-
156,498	138,197	118,308	104,284	91,259	84,975
3,863	3,624	3,057	2,360	-	-
-	-	-	-	-	-
350,000	-	-	-	-	-
778,214	1,854,331	2,435,638	3,012,314	3,689,175	3,795,732
1,789,040	1,164,161	770,538	1,112,719	992,989	893,790
-	-	80,000	90,000	185,121	204,611
-	-	-	327,490	1,211,910	24,812,178
8,091,100	7,891,131	5,567,121	9,186,078	10,989,750	3,431,854
-	-	-	-	-	-
8,926,723	8,572,744	8,993,230	4,908,872	6,153,627	4,308,003
<u>\$ 31,201,928</u>	<u>\$ 26,564,526</u>	<u>\$ 27,270,359</u>	<u>\$ 28,090,962</u>	<u>\$ 31,206,538</u>	<u>\$ 45,930,816</u>
\$ 168,614	\$ 164,216	\$ 165,429	\$ 164,778	\$ 164,633	\$ 165,865
-	118,953	144,792	147,512	184,744	215,174
937,549	861,387	935,095	964,047	990,118	1,079,988
13,130,474	20,329,405	23,601,797	25,886,393	21,167,253	24,688,504
-	-	-	-	-	-
5,851,919	10,664,743	10,953,370	11,316,762	11,143,662	11,356,827
-	-	-	-	-	-
1,540,821	-	-	676,088	968,255	396,476
<u>\$ 21,629,377</u>	<u>\$ 32,138,704</u>	<u>\$ 35,800,483</u>	<u>\$ 39,155,580</u>	<u>\$ 34,618,665</u>	<u>\$ 37,902,834</u>
<u>\$ 52,831,305</u>	<u>\$ 58,703,230</u>	<u>\$ 63,070,842</u>	<u>\$ 67,246,542</u>	<u>\$ 65,825,203</u>	<u>\$ 83,833,650</u>

Pitkin County, Colorado
Changes in Fund Balance, Governmental Funds
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

	2007	2008	2009	2010
Revenues				
Taxes	\$ 34,925,248	\$ 38,706,371	\$ 36,854,043	\$ 39,619,339
Intergovernmental	4,320,010	4,688,484	6,518,272	6,190,993
Licenses and permits	1,006,987	1,057,109	712,890	708,836
Charges for services	6,326,624	5,285,346	6,187,281	5,471,709
Fines and forfeitures	9,254	7,859	15,920	18,843
Investment earnings	3,014,757	2,100,021	863,868	607,991
Impact fees	-	-	-	639,381
Miscellaneous	1,612,752	1,579,049	1,016,578	1,224,537
Total Revenues	\$ 51,215,632	\$ 53,424,239	\$ 52,168,852	\$ 54,481,629
Expenditures				
Current:				
General government	9,948,033	8,706,359	8,477,240	8,615,171
Public safety	7,181,237	8,362,918	8,594,671	8,602,055
Public works	18,834,184	23,415,143	15,981,646	17,911,544
Health and welfare	3,615,974	4,018,150	4,081,533	3,988,632
Culture and recreation	16,234,765	9,148,625	14,307,057	25,834,171
Housing and development	195,534	245,997	231,392	407,926
Debt Service:				
Principal retirement	1,668,308	1,445,369	1,485,691	1,871,032
Interest and fiscal charges	1,337,180	1,294,530	1,250,055	1,198,232
Bond Issuance costs	-	-	-	102,030
Total Expenditures	59,015,215	56,637,091	54,409,285	68,530,793
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,799,583)	(3,212,852)	(2,240,433)	(14,049,164)
Other Financing Sources (Uses)				
Sales of capital assets	129,056	529,638	53,530	2,229,985
Proceeds of general long term debt	-	-	-	8,360,000
Premium on debt issuance	-	-	-	2,616
Escrow to defease debt	-	-	-	(5,818,920)
Transfers in	1,029,578	1,079,758	1,080,533	1,432,719
Transfers out	(759,578)	(809,758)	(810,533)	(1,162,719)
Total Other Financing Sources (Uses)	399,056	799,638	323,530	5,043,681
Net Change in Fund Balance	\$ (7,400,527)	\$ (2,413,214)	\$ (1,916,903)	\$ (9,005,483)
Debt service as a percentage of non-capital expenditures	9.19%	7.07%	7.29%	7.74%

2011	2012	2013	2014	2015	2016
\$ 41,071,874	\$ 40,097,771	\$ 42,039,211	\$ 43,868,807	\$ 46,443,853	\$ 49,487,629
8,428,852	5,200,014	6,427,057	7,400,042	7,049,975	8,974,041
722,872	767,160	1,224,559	1,631,982	1,802,194	1,102,871
5,891,914	5,493,750	5,803,054	6,070,954	6,305,590	6,634,232
33,589	39,319	49,661	30,921	51,327	43,416
444,870	314,576	287,808	378,102	435,521	620,076
579,405	1,110,411	1,176,581	881,277	1,325,084	599,474
779,732	510,165	649,736	878,316	493,119	741,679
\$ 57,953,108	\$ 53,533,166	\$ 57,657,667	\$ 61,140,401	\$ 63,906,663	\$ 68,203,418
7,670,106	8,783,477	8,589,688	9,371,896	10,107,242	17,008,730
8,529,207	8,662,354	8,183,663	8,847,916	9,482,589	14,207,880
14,410,409	18,592,528	20,715,986	21,232,099	24,520,916	22,710,491
4,202,136	4,743,347	4,909,132	5,347,087	5,627,421	6,333,643
4,667,086	4,990,167	1,014,272	663,617	12,602,134	293,168
190,523	189,694	8,125,707	9,665,905	1,338,011	10,906,366
1,166,394	916,778	942,184	1,002,615	1,028,072	1,053,557
1,187,916	1,129,690	1,089,581	1,004,167	980,746	955,062
-	-	35,300	-	-	65,450
42,023,777	48,008,035	53,605,513	57,135,302	65,687,131	73,534,347
15,929,331	5,525,131	4,052,154	4,005,099	(1,780,468)	(5,330,929)
1,028,081	126,794	162,881	170,600	359,129	218,455
-	-	2,845,000	-	-	35,160,000
-	-	(2,816,056)	-	-	742,188
-	-	-	-	-	(12,305,000)
774,066	6,622,849	2,693,752	728,197	666,088	1,582,031
(504,066)	(6,402,849)	(2,693,752)	(728,197)	(666,088)	(1,582,031)
1,298,081	346,794	191,825	170,600	359,129	23,815,643
\$ 17,227,412	\$ 5,871,925	\$ 4,243,979	\$ 4,175,699	\$ (1,421,339)	\$ 18,484,714
5.87%	4.64%	4.76%	4.29%	3.66%	3.38%

Pitkin County, Colorado
Program Revenues by Functions/Programs
(Accrual basis of accounting)
(Unaudited)

Last Ten Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Functions/Programs				
Governmental Activities				
General government	\$ 4,705,166	\$ 5,957,833	\$ 5,251,618	\$ 5,819,935
Public safety	2,072,259	1,499,151	2,454,209	2,281,294
Public works	2,379,526	1,914,894	1,816,233	2,381,658
Health and welfare	880,407	1,173,596	1,506,353	1,596,941
Culture and recreation	1,658,533	8,482,342	12,393,160	3,980,016
Conservation of natural resources	57,461	129,834	68,290	82,405
Housing and development	1,522,276	848,244	368,007	312,051
Total governmental activities	<u>13,275,628</u>	<u>20,005,894</u>	<u>23,857,870</u>	<u>16,454,300</u>
Business-type activities				
Airport	18,203,944	11,082,355	13,222,489	11,034,595
Solid Waste Center	5,839,011	5,551,754	3,424,031	3,972,556
Total business-type activities	<u>24,042,955</u>	<u>16,634,109</u>	<u>16,646,520</u>	<u>15,007,151</u>
Total primary government	<u>\$ 37,318,583</u>	<u>\$ 36,640,003</u>	<u>\$ 40,504,390</u>	<u>\$ 31,461,451</u>

2011	2012	2013	2014	2015	2016
\$ 5,782,618	\$ 5,645,937	\$ 5,928,810	\$ 6,237,922	\$ 6,488,170	\$ 6,839,901
2,298,544	2,237,877	587,543	3,548,062	4,416,093	5,346,315
2,012,299	1,530,460	3,718,472	2,019,583	1,627,373	1,549,281
1,783,475	2,015,423	2,020,562	2,585,766	2,699,027	3,304,561
4,025,379	525,098	1,981,936	1,668,594	789,605	863,947
51,507	55,613	62,915	65,624	92,845	76,636
482,542	1,110,411	1,030,410	767,942	914,177	578,691
<u>16,436,364</u>	<u>13,120,819</u>	<u>15,330,648</u>	<u>16,893,493</u>	<u>17,027,290</u>	<u>18,559,332</u>
19,680,805	15,659,494	12,322,722	11,322,312	11,605,612	12,275,149
4,212,913	4,743,062	4,738,919	5,313,531	6,407,974	6,240,533
<u>23,893,718</u>	<u>20,402,556</u>	<u>17,061,641</u>	<u>16,635,843</u>	<u>18,013,586</u>	<u>18,515,682</u>
<u>\$ 40,330,082</u>	<u>\$ 33,523,375</u>	<u>\$ 32,392,289</u>	<u>\$ 33,529,336</u>	<u>\$ 35,040,876</u>	<u>\$ 37,075,014</u>

Pitkin County, Colorado
Tax Revenues by Source (1)
(Modified accrual basis of accounting)
(Unaudited)

Last Ten Years

Year	Property	Special Assessments	General Sales	Selective Sales and Use	Motor Vehicle	Other	Total
2007	\$ 14,662,230	\$ 339,957	\$ 18,478,879	\$ 736,417	\$ 683,561	\$ 24,204	\$ 34,925,248
2008	20,800,559	365,402	18,782,483	733,306	915,483	49,906	41,647,139
2009	21,641,250	385,342	16,129,081	991,299	712,065	50,484	39,909,521
2010	20,609,712	393,933	17,182,317	831,097	545,970	56,310	39,619,339
2011	20,850,576	405,082	18,459,799	785,917	524,584	45,916	41,071,874
2012	19,279,086	429,673	19,014,483	819,965	512,932	41,632	40,097,771
2013	23,168,726	443,569	20,352,973	841,555	704,661	62,942	45,574,426
2014	22,860,519	451,153	22,308,264	1,009,393	778,963	65,634	47,473,926
2015	23,079,685	835,489	24,094,056	1,290,635	847,049	38,956	50,185,870
2016	24,987,909	1,043,235	24,951,831	1,438,921	866,347	59,961	53,348,204

Change

2007-2016	41.32%	67.41%	25.94%	48.82%	21.10%	59.63%	34.53%
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Note: Due to changes in tax rates, comparability between years for general sales taxes and selective sales and use taxes are diminished.

(1) Includes all governmental funds of primary government and component units

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Pitkin County, Colorado
Assessed Value and Actual Value of Taxable Property
In Thousands
(Unaudited)

Last Ten Years

(1) Year Ended December 31,	Real Property					
	Vacant Land	Residential	Commercial	Industrial	Natural Resources	Agricultural
2007	\$ 317,608	\$ 1,835,273	\$ 525,402	\$ 701	\$ 6,125	\$ 18,237
2008	295,853	1,890,761	537,651	701	5,748	21,059
2009	404,423	2,533,478	670,692	894	6,315	26,050
2010	398,232	2,560,936	664,170	894	5,489	27,586
2011	275,961	1,887,749	550,476	745	3,858	22,796
2012	261,169	1,917,493	540,208	745	3,847	11,491
2013	232,178	1,740,000	430,850	670	2,872	10,516
2014	228,246	1,765,140	573,865	670	2,911	10,578
2015	223,103	2,017,334	657,652	716	3,632	12,058
2016	200,240	2,046,647	648,798	716	3,621	12,799

State Assessed Property (2)	Personal Property (3)	Total Taxable Assessed Property	Tax Exempt Property (4)	Total Direct Tax Rate	Actual Taxable Value	Assessed Value as a Percentage of Actual Value
\$ 23,305	\$ 51,369	\$ 2,726,651	\$ 101,812	7.903	26,064,189	10.46%
25,396	51,761	2,777,169	102,352	8.080	26,756,103	10.38%
25,396	52,392	3,667,491	94,300	6.721	35,709,237	10.27%
26,521	53,948	3,683,830	104,990	6.811	36,028,432	10.22%
26,530	51,765	2,768,117	95,167	8.538	26,680,594	10.38%
26,076	52,165	2,761,029	95,539	8.734	26,730,270	10.33%
29,109	52,635	2,599,004	86,167	9.159	24,613,719	10.56%
28,418	51,791	2,609,829	154,675	9.454	24,789,413	10.53%
29,277	51,340	2,943,772	154,228	9.084	28,274,638	10.41%
29,889	50,514	2,943,772	206,619	8.826	28,745,910	10.24%

Commercial real property, vacant land, personal property and utilities were assessed at 29% of actual or depreciated value. Residential property is valued at market and all other property is valued considering the three approaches to appraisal (income, cost and market).

Residential real property was assessed as follows:

Year	Assessment Percentage	Base Year
2007	7.96%	2006 appraised value
2008	7.96%	2006 appraised value
2009	7.96%	2008 appraised value
2010	7.96%	2008 appraised value
2011	7.96%	2010 appraised value
2012	7.96%	2010 appraised value
2013	7.96%	2012 appraised value
2014	7.96%	2012 appraised value
2015	7.96%	2014 appraised value
2016	7.96%	2014 appraised value

Note: All residential and commercial properties are reappraised biennially from sales that occurred in the twenty-four month period ending June 30 of the odd-numbered base year bringing properties to their current market value. The residential assessment rate is set by the Colorado General Assembly and coincides with changes in value. This is constitutionally mandated and designed to even out the tax burden on residential property.

- (1) Property taxes levied for the year indicated are collected in the following year.
- (2) State assessed property is valued by the Colorado Property Tax Administrator and includes utilities (gas, electric and telephone), airlines and other companies.
- (3) This column totals the personal property values which are included in each of the real property value categories.
- (4) Total of only real property that is Charitable, Religious & Private Schools

Source: Pitkin County Assessor's Office

Pitkin County, Colorado
Direct and Overlapping Property Tax Rates
(Unaudited)
(Rate per \$1,000 of assessed value)

Last Ten Years

	2007	2008	2009
County direct rates			
General Fund	1.871	1.922	1.491
Road and Bridge	0.137	0.141	0.110
Social Services	0.037	0.036	0.048
Healthy Community Fund	0.489	0.501	0.394
Bond Redemption	0.113	0.173	0.126
Open Space	3.757	3.760	3.333
Radio and TV. Translator	0.216	0.223	0.175
Total direct rates	6.620	6.756	5.677
School Districts rates			
Aspen School District RE-1	8.622	9.355	7.846
Roaring Fork School District REJT1.12	34.246	33.942	30.984
City and Town rates			
City of Aspen	5.459	5.467	4.042
Town of Basalt	5.058	5.181	3.873
Town of Snowmass Village	9.546	9.509	7.485
County-wide Districts rates			
Colorado Mountain College	3.997	3.997	3.997
Colorado River Water Conservancy	0.191	0.198	0.166
Aspen Valley Hospital (1)	1.280	1.280	0.969
Pitkin County Library (1)	1.113	1.148	0.906
Ambulance District rate	0.170	0.176	0.138
Fire Protection Districts rates	19.193	19.198	17.246
Water and Sanitation Districts rates	28.110	28.288	22.624
Other Special Districts rates	387.632	432.590	362.557

(1) The following districts in the county-wide category are currently supported by less than 100% of the total valuation of the County.

Government

Aspen Valley Hospital District
Pitkin County Library District

Source: Pitkin County Assessor's Office

2010	2011	2012	2013	2014	2015	2016
1.501	2.150	2.205	2.416	2.476	2.289	2.347
0.112	0.158	0.162	0.178	0.182	0.168	0.173
0.065	0.065	0.065	0.065	0.065	0.065	0.065
0.402	0.567	0.707	0.778	0.802	0.735	0.757
0.127	0.055	-	-	-		
3.351	3.797	3.796	3.783	3.750	3.750	3.750
0.179	0.252	0.259	0.280	0.289	0.267	0.273
5.737	7.044	7.194	7.500	7.564	7.274	7.365
8.254	9.105	9.201	9.333	9.297	9.111	9.092
30.992	39.589	38.240	42.445	42.149	42.300	45.246
3.854	5.236	5.346	5.654	5.817	4.978	5.227
4.066	6.139	6.386	7.560	9.881	9.158	11.592
7.356	8.940	9.019	9.261	9.200	9.236	9.016
3.997	3.997	3.997	3.997	3.997	3.997	3.997
0.188	0.228	0.242	0.254	0.253	0.243	0.253
1.931	2.664	2.920	2.539	2.818	2.819	2.791
0.932	1.296	1.336	1.439	1.490	1.359	1.411
0.142	0.198	0.204	0.220	0.400	0.451	0.503
18.367	21.619	25.587	24.016	25.997	27.523	28.834
23.595	31.003	31.989	37.828	37.828	43.172	47.538
410.245	470.465	474.457	502.592	504.293	517.777	579.375

**Pitkin County, Colorado
Principal Property Taxpayers
(Unaudited)**

Current Year and Ten Years Ago

Taxpayer	2015			2007		
	Taxable Assessed Value	Rank	Percentage of Total Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Assessed Value
Aspen Skiing Co	\$ 61,881,320	1	2.10%	-	-	-
Aspen/Buttermilk/Snowmass Skiing Co./ Little Nell/Snowmass Club Associates	-	-	0.00%	\$ 59,632,000	1	2.19%
315 East Dean Assoc. Inc.	27,162,850	2	0.92%	-	-	-
Sheridan Luxury Truust, Aspen Dean Street, LLC	-	-	0.00%	19,595,880	2	0.72%
Base Village Owner LLC	-	-	-	15,145,060	3	0.56%
Silvertree Property Co	17,955,340	3	0.61%	13,455,600	5	0.49%
Ritz Carlton	-	-	-	12,096,710	6	0.44%
The Residences at the Little Nell Condo Assoc. Inc.	14,938,840	4	0.51%	-	-	-
Hyatt Grand Aspen	14,086,350	5	0.48%	13,770,950	4	0.51%
SV Land Holdings	14,067,060	6	0.48%	-	-	-
Hotel Jerome, Inc	-	-	-	10,059,170	7	0.37%
ASPCOL Corporation NV	-	-	-	8,452,770	8	0.31%
Holy Cross Electric Assn.	12,510,200	7	0.42%	8,011,500	9	0.29%
Iconic Properties Jerome Property LLC	12,369,710	8	0.42%	-	-	0.00%
Snowmass Holding Co.	-	-	-	7,774,600	10	0.29%
Ajax Mountain Associates LLC.	9,999,710	9	0.34%	-	-	-
Brand Building LLC	9,716,260	10	0.33%	-	-	-
Total	<u>\$ 194,687,640</u>		<u>6.61%</u>	<u>\$ 167,994,240</u>		<u>6.17%</u>
Total assessed valuation	<u>\$ 2,943,772,090</u>			<u>\$ 2,726,650,670</u>		

Source: Pitkin County Assessor's Office

Pitkin County, Colorado
Property Tax Levies and Collections (1)
(Unaudited)

Last Ten Years

Assessment and Levy Year	Collection Year	Taxes Levied for the Year (2)	Total Taxes Collected in Collection Year (3)		Adjusted Tax Levied (4)	Current Taxes Collected in Collection Year	
			Amount	Percent of Levy		Amount	Percent of Adjusted Levy
2007	2008	\$ 20,872,808	\$ 20,800,559	99.7%	N/A	N/A	N/A
2008	2009	22,115,631	21,997,903	99.5%	21,964,284	21,890,612	99.7%
2009	2010	24,293,412	24,060,907	99.0%	24,115,851	24,091,526	99.9%
2010	2011	24,725,448	23,803,551	96.3%	24,603,378	24,589,689	99.9%
2011	2012	23,282,728	23,037,940	98.9%	23,130,181	23,113,377	99.9%
2012	2013	23,750,999	23,588,147	99.3%	23,720,122	23,694,299	99.9%
2013	2014	23,448,294	23,285,583	99.3%	23,347,020	23,332,975	99.9%
2014	2015	24,192,179	23,898,832	98.8%	24,099,720	24,090,282	100.0%
2015	2016	26,221,787	26,012,432	99.2%	26,089,474	26,081,863	100.0%

- (1) Includes all governmental funds and Pitkin County Library District.
- (2) Taxes are levied by the Board of County Commissioners no later than December 22nd of each year and are payable in full by April 30th or in installments by June 15th of the following year. Since taxes are not levied and collected within the same year collection data is presented for the year following the tax levy to enhance comparability with other governments.
- (3) Total current and delinquent years' taxes collected less refunds of abated taxes paid.
- (4) Adjusted tax levied is net of reductions from successful taxpayer protests of property valuation

Pitkin County, Colorado

**SALES TAX REVENUE BOND COVERAGE
(Unaudited)
Last ten years**

Year	Interest income	County 1% sales tax	Net revenue available for for debt service (1)	Debt Service Requirements			Times coverage (2)
				Principal	Interest and Fiscal Charges	Total	
2007	\$ 27,143	\$ 7,628,874	\$ 7,656,017	\$ 625,000	\$ 352,840	\$ 977,840	7.8
2008	15,722	7,715,882	7,731,604	350,000	328,310	678,310	11.4
2009	5,143	6,393,062	6,398,205	365,000	316,150	681,150	9.4
2010	2,947	6,825,847	6,828,794	380,000	304,771	684,771	10.0
2011	1,930	7,366,067	7,367,997	285,000	336,547	621,547	11.9
2012	1,930	7,586,027	7,587,957	305,000	351,083	656,083	11.6
2013	893	8,132,860	8,133,753	315,000	344,663	659,663	12.3
2014	1,032	9,015,888	9,016,920	320,000	338,683	658,683	13.7
2015	1,142	9,711,466	9,712,608	325,000	332,343	657,343	14.8
2016	2,058	10,121,745	10,123,803	330,000	327,903	657,903	15.4

- (1) The additional 1% County sales tax, implemented on July 1, 1985 and interest earned in the debt service fund are pledged as security for these bonds.
- (2) The bond covenants do not require a specific coverage factor. However, before additional parity bonds can be issued, historical coverage of existing and proposed debt service must be at least 2 times pledged revenue.
- (3) The intergovernmental agreement directing the distribution of the 1% sales taxes provides that distributions to RFTA and municipalities are subordinate to debt service requirements.

**SALES TAX REVENUE BONDS
Maximum Annual Debt Service Coverage Ratio
(Unaudited)
Since Issuance of the 2010 Sales Tax Revenue Bonds**

Year	Interest income	County 1% sales tax	Net revenue available for for debt service	Maximum Annual Net Debt Service (1)	Maximum Annual Debt Service Coverage Ratio
2010	\$ 2,947	\$ 6,825,847	\$ 6,828,794	\$ 597,789	1142%
2011	1,930	7,366,067	7,367,997	597,789	1233%
2012	1,930	7,586,027	7,587,957	597,789	1269%
2013	893	8,132,860	8,133,753	597,789	1361%
2014	1,032	9,015,888	9,016,920	597,789	1508%
2015	1,142	9,711,466	9,712,608	597,789	1625%
2016	2,058	10,121,745	10,123,803	597,789	1694%

- (1) Excludes Federal Direct Payments

Pitkin County, Colorado

**RATIO OF NET GENERAL BONDED DEBT TO
ASSESSED VALUE AND NET BONDED DEBT PER CAPITA
(Unaudited)
Last ten years**

Year	Population (1)	Assessed value	Gross bonded debt (5)	Debt service moneys available	Net bonded debt	Ratio of net bonded debt to assessed value	Net bonded debt per capita
2007	16,236	\$ 2,726,651,000	\$ 20,670,000	\$ 105,000	\$ 20,565,000	0.75%	\$ 1,267
2008	16,673	2,777,168,530	19,860,000	-	19,860,000	0.72%	1,191.15
2009	17,053	3,667,491,080	19,035,000	-	19,035,000	0.52%	1,116.23
2010	17,147	3,683,830,340	18,175,000	-	18,175,000	0.49%	1,059.95
2011	17,125	2,768,117,000	17,300,000	5,048	17,294,952	0.62%	1,009.92
2012	17,226	2,761,028,490	16,695,000	-	16,695,000	0.60%	969.17
2013	17,412	2,599,004,220	16,110,000	-	16,110,000	0.62%	925.22
2014	17,645	2,609,828,700	15,435,000	-	15,435,000	0.59%	874.75
2015	17,645 (2)	2,943,772,090	14,740,000	-	14,740,000	0.50%	835.36
2016	17,645 (2)	2,942,709,910	14,090,000	-	14,090,000	0.48%	798.53

**GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES
(Unaudited)
Last ten years**

Year	Principal	Interest	Total debt service	Total general expenditures (3)	Ratio of debt service to total general expenditures
2007	\$ 775,000	\$ 910,246	\$ 1,685,246	\$ 59,015,215	2.9%
2008	810,000	1,151,487	1,961,487	56,695,469	3.5%
2009	825,000	861,490	1,686,490	54,409,285	3.1%
2010	860,000	832,740	1,692,740	68,530,793	2.5%
2011	875,000	802,876	1,677,876	42,023,777	4.0%
2012	605,000	776,659	1,381,659	48,008,035	2.9%
2013	620,000	742,915	1,362,915	53,605,513	2.5%
2014	675,000	663,848	1,338,848	57,135,302	2.3%
2015	645,000	647,155	1,292,155	65,687,131	2.0%
2016	715,000	625,730	1,340,730	73,534,347	1.8%

(1) Source: Demographics Statistics, page G28.

(2) 2015 latest information available

(3) Includes General, Special Revenue, and Debt Service Funds of the primary government.

Pitkin County, Colorado
Ratio of Outstanding Debt by Type
(Unaudited)

Last Ten Years

Year	Governmental Activities				Business-Type Activities		Percentage of Personal Income	Per Capita Personal Income (1)
	General Obligation Bonds & Notes	Sales Tax Revenue Bonds	Lease Certificates of Participation	Special Assessment bonds	Airport Loans	Total Primary Government		
2007	\$ 20,670,000	\$ 6,670,000	\$ 1,195,000	\$ 61,692	\$ 2,152,740	\$ 30,749,432	2.19%	\$ 86,609
2008	19,860,000	6,320,000	915,000	56,323	1,859,865	29,011,188	1.88%	92,680
2009	19,035,000	5,955,000	625,000	50,632	1,557,997	27,223,629	1.89%	84,264
2010	18,175,000	8,360,000	-	44,600	1,246,831	27,826,431	2.18%	74,414
2011	17,300,000	8,075,000	-	38,206	926,055	26,339,261	1.94%	79,086
2012	16,695,000	7,770,000	-	31,428	595,333	25,091,761	1.81%	80,331
2013	16,110,000	7,455,000	-	24,244	404,620	23,993,864	1.55%	88,766
2014	15,435,000	7,135,000	-	16,629	-	22,586,629	1.14%	112,796
2015	14,740,000	6,810,000	-	8,557	-	21,558,557	0.96%	126,137
2016	14,090,000	6,480,000	22,790,000	-	-	43,360,000	1.93%	126,137 (2)

Note: Details regarding the county's outstanding debt can be found in the notes to the basic financial statements.

(1) See page G28 for personal income and population data.

(2) 2015 information latest available

Pitkin County, Colorado
Overlapping and Direct Governmental Activities Debt
(Unaudited)

As of December 31, 2016

Taxing Jurisdiction	General Obligation Long-Term Debt Outstanding	Self-Supporting (1) Long-Term Debt Outstanding	Net General Obligation Long-Term Debt Outstanding	Estimated Percentage Applicable (2)	Overlapping and Direct Debt
Overlapping Debt					
School Districts					
Aspen School District RE-1	\$ 41,340,000	\$ -	\$ 41,340,000	100.00%	\$ 41,340,000
Roaring Fork School District R-1	191,659,984	-	191,659,984	20.21%	38,734,483
City and Towns					
City of Aspen (1)	9,065,000	9,065,000	-	100.00%	-
Town of Basalt	4,833,177	-	4,833,177	29.42%	1,421,921
Town of Snowmass Village	4,285,000	140,000	4,145,000	100.00%	4,145,000
Fire Districts					
Aspen Fire Protection District	9,010,000	-	9,010,000	100.00%	9,010,000
Carbondale Fire Protection District	4,075,000	-	4,075,000	8.08%	329,260
Water and Sanitation Districts					
Basalt Sanitation District	1,265,000	-	1,265,000	50.78%	642,367
Redstone Water and Sanitation District	1,803,725	-	1,803,725	100.00%	1,803,725
Library Districts					
Basalt Regional Library	76,900,100	-	76,900,100	49.40%	37,988,649
Other Districts					
Aspen Highlands Residential Metro District	4,116,360	-	4,116,360	100.00%	4,116,360
Aspen Valley Hospital	37,955,000	-	37,955,000	100.00%	37,955,000
Base Village Metro District #2	31,260,000	-	31,260,000	100.00%	31,260,000
Brush Creek Metro District	200,000	-	200,000	100.00%	200,000
Buttermilk Metro District	1,672,057	-	1,672,057	100.00%	1,672,057
Crown Mountain Recreation District	2,360,000	-	2,360,000	40.36%	952,496
Holland Hills Metro District	556,672	-	556,672	100.00%	556,672
Meadowood Metro District	1,807,350	-	1,807,350	100.00%	1,807,350
Starwood Metro District	2,165,000	-	2,165,000	100.00%	2,165,000
Total Overlapping Debt					212,127,990
Direct Debt					
Pitkin County General Obligation Debt	14,090,000	-	14,090,000	100.00%	14,090,000
Sales Tax Revenue Bonds	6,480,000	6,480,000	-	100.00%	-
Total Direct Debt					14,090,000
Total Overlapping and Direct Debt					\$ 226,217,990

(1) Self-supporting debt is backed by full faith and credit of the jurisdiction, however the city has a Real Estate Transfer Tax (RETT) that is used to repay this debt. If the RETT should lapse or not provide enough funding for these obligations, the city could levy a property tax for future repayments.

(2) The portion of debt applicable to Pitkin County is determined by the ratio of the assessed value of the portion of the applicable district located within county boundaries to the total assessed value of the applicable taxing district

Sources: Debt amounts and percentages are provided by each governmental unit.

Pitkin County, Colorado
Legal Debt Margin Information
(Unaudited)

Last Ten Years

	2007	2008	2009	2010
Valuation for Assessment of Property	\$2,726,650,670	\$2,777,168,530	\$ 2,777,168,530	\$ 3,683,830,340
Debt Limit, 3% of Valuation for Assessment (Per Colorado Revised Statutes, Section 30-35-201 (6b))	81,799,520	83,315,056	83,315,056	110,514,910
Amount of Debt Applicable to Limit General Obligation Bonds	20,670,000	19,860,000	19,035,000	18,175,000
Legal Debt Margin	<u>\$ 61,129,520</u>	<u>\$ 63,455,056</u>	<u>\$ 64,280,056</u>	<u>\$ 92,339,910</u>
Total debt applicable to the limit as a percentage of debt limit	25.27%	23.84%	22.85%	16.45%

2011	2012	2013	2014	2015	2016
\$ 2,768,117,000	\$ 2,761,028,490	\$ 2,599,004,220	\$ 2,609,828,700	\$ 2,943,772,090	\$ 2,942,709,910
83,043,510	82,830,855	77,970,127	78,294,861	88,313,163	88,281,297
17,300,000	16,695,000	16,110,000	15,435,000	14,740,000	14,090,000
<u>\$ 65,743,510</u>	<u>\$ 66,135,855</u>	<u>\$ 61,860,127</u>	<u>\$ 62,859,861</u>	<u>\$ 73,573,163</u>	<u>\$ 74,191,297</u>
20.83%	20.16%	20.66%	19.71%	16.69%	15.96%

Pitkin County, Colorado
Demographic and Economic Statistics
(Unaudited)

Last Ten Years

Year (2)	Population	Personal Income (1)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2006	16,087	\$ 1,287,950,000	\$ 80,062	41.5	1,792	2.3%
2007	16,236	1,406,178,000	86,609	42.0	1,736	2.5%
2008	16,673	1,584,920,680	92,680	41.9	1,854	3.7%
2009	17,053	1,436,953,992	84,264	42.0	1,905	4.3%
2010	17,147	1,275,976,858	74,414	42.1	1,932	7.1%
2011	17,125	1,354,347,750	79,086	42.7	1,917	7.7%
2012	17,226	1,383,781,806	80,331	43.2	1,927	7.1%
2013	17,388	1,543,463,208	88,766	43.6	1,927	6.4%
2014	17,622	1,987,691,112	112,796	43.8	1,953	4.9%
2015	17,845	2,243,593,000	126,137	43.9	1,964	3.8%

(1) Computation of per capita personal income multiplied by population.

(2) 2016 data not available

Sources: Population and Median Age provided by Colorado Department of Local Affairs. Per Capita Personal Income provided by Bureau of Economic Analysis. School Enrollment provided by schools located in Pitkin County. Unemployment Rate by U.S. Department of Labor, Bureau of Labor Statistics, annual rate

**Pitkin County, Colorado
Principal Employers
(Unaudited)**

Current Year and Ten Years Ago

Employers	2016			2007		
	Number of Employees	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Aspen Skiing Company/Little Nell Hotel	3,887	1	31.75%	3,675	1	N/A
Aspen Valley Hospital	500	2	2.65%	421	4	N/A
Little Nell Hotel	400	3		N/A	N/A	N/A
Roaring Fork Transit Agency	370	4	1.47%	191	9	N/A
St. Regis Aspen Resort	325	5	1.47%	333	5	N/A
Viceroy Snowmass Resort	300	6	2.45%	N/A	N/A	N/A
Aspen Valley Hospital	300	7		N/A	N/A	N/A
City of Aspen	293	8	1.47%	434	3	N/A
Pitkin County	266	9	2.65%	245	6	N/A
Hotel Jerome	250	11	-	184	10	-
Aspen School District	254	10	2.07%	229	7	N/A
Westin Snowmass Wildwood Resort Hotel	180	12	1.44%	N/A	N/A	N/A
Ritz Carlton	176	13	2.45%	190	8	N/A
Silvertree Hotel of Snowmass	N/A	N/A	-	477	2	-
Total	<u>7,501</u>		<u>49.87%</u>	6,379		
Total Pitkin County Labor Force (1)	<u>10,772</u>					

(1) Total Pitkin County Labor Force provided by Colorado Dept. of Local Affairs data used.

Source: Number of Employees obtained directly from the employer.

Pitkin County, Colorado

**Sales Tax Collections
(Unaudited)
Last ten years**

	2007	2008	2009	2010
2-Percent sales tax (1)	<u>\$ 15,938,167</u>	<u>\$ 16,088,635</u>	<u>\$ 13,313,300</u>	<u>\$ 14,148,776</u>
County Share of 2% sales tax (43%)	\$ 6,853,412	\$ 6,918,113	\$ 5,724,719	\$ 6,083,974
Seasonal composition				
Winter	58.5%	60.0%	60.6%	59.0%
Summer	41.5%	40.0%	39.4%	41.0%
Percentage increase (decrease)	4.8%	0.9%	-17.3%	6.3%
1-Percent Transit sales tax (2)	<u>\$ 7,628,874</u>	<u>\$ 7,715,882</u>	<u>\$ 6,393,062</u>	<u>\$ 6,825,847</u>
Percentage increase (decrease)	5.0%	1.1%	-17.1%	6.8%
Less payments				
To City of Aspen	3,150,600	3,169,050	2,636,622	2,830,663
To Snowmass Village	<u>806,497</u>	<u>833,178</u>	<u>679,459</u>	<u>709,904</u>
Total Deductions	<u>3,957,097</u>	<u>4,002,228</u>	<u>3,316,081</u>	<u>3,540,567</u>
Net payments to RFTA	<u>\$ 3,671,777</u>	<u>\$ 3,713,654</u>	<u>\$ 3,076,981</u>	<u>\$ 3,285,280</u>
Percentage increase (decrease)	5.0%	1.1%	-17.1%	6.8%
1/2 Percent Transit Sales and Use Tax (3)				
Sales tax	\$ 3,997,592	\$ 4,034,722	\$ 3,371,170	\$ 3,580,664
Use Tax	<u>642,209</u>	<u>713,209</u>	<u>691,037</u>	<u>815,077</u>
	<u>\$ 4,639,801</u>	<u>\$ 4,747,931</u>	<u>\$ 4,062,207</u>	<u>\$ 4,395,741</u>
Percentage increase	5.5%	2.3%	-14.4%	8.2%
.1% Sales Tax for Healthy Rivers and Streams	\$ -	\$ -	\$ 649,456	\$ 691,832
Percentage increase (decrease)	N/A	N/A	N/A	6.5%

1. The two-percent County-wide sales tax is distributed 43% to Pitkin County and 57% to the municipalities of Aspen, Snowmass Village, and Basalt. The winter season is December through May and the summer season is June through November.
2. The formation of a regional transportation district in 2001, resulted in the formation of the Roaring Fork Transportation Authority. This resulted in a change to the intergovernmental agreement between Pitkin County, the City of Aspen, Town of Snowmass Village and the Authority for the distribution of the 1% sales tax. Under the new agreement, the tax is distributed 48.131% to the Authority and 51.869% to the City of Aspen and Snowmass Village. The allocations to the City and Town are to be divided between the two on the basis of the actual collections within the municipal limits of each.

2011	2012	2013	2014	2015	2016
<u>\$ 15,215,285</u>	<u>\$ 15,659,281</u>	<u>\$ 16,737,908</u>	<u>\$ 18,153,402</u>	<u>\$ 19,542,928</u>	<u>\$ 20,243,491</u>
\$ 6,542,573	\$ 6,733,491	\$ 7,197,300	\$ 7,805,963	\$ 8,403,459	\$ 8,704,701
59.5%	58.9%	59.3%	59.5%	59.0%	58.8%
40.5%	41.1%	40.7%	40.5%	41.0%	41.2%
7.5%	2.9%	6.9%	8.5%	7.7%	3.6%
<u>\$ 7,366,067</u>	<u>\$ 7,586,027</u>	<u>\$ 8,132,860</u>	<u>\$ 9,015,888</u>	<u>\$ 9,771,466</u>	<u>\$ 10,121,745</u>
7.9%	3.0%	7.2%	10.9%	8.4%	3.6%
3,048,981	3,132,143	3,327,320	3,708,007	4,024,448	4,192,191
<u>771,798</u>	<u>802,730</u>	<u>891,195</u>	<u>968,534</u>	<u>1,044,012</u>	<u>1,057,958</u>
<u>3,820,779</u>	<u>3,934,873</u>	<u>4,218,515</u>	<u>4,676,541</u>	<u>5,068,460</u>	<u>5,250,149</u>
<u>\$ 3,545,288</u>	<u>\$ 3,651,154</u>	<u>\$ 3,914,345</u>	<u>\$ 4,339,347</u>	<u>\$ 4,703,006</u>	<u>\$ 4,871,596</u>
7.9%	3.0%	7.2%	10.9%	8.4%	3.6%
\$ 3,798,447	\$ 3,913,565	\$ 4,185,934	\$ 4,567,135	\$ 4,929,637	\$ 5,106,873
<u>785,917</u>	<u>784,524</u>	<u>813,000</u>	<u>1,009,393</u>	<u>1,290,635</u>	<u>1,438,921</u>
<u>\$ 4,584,364</u>	<u>\$ 4,698,089</u>	<u>\$ 4,998,934</u>	<u>\$ 5,576,528</u>	<u>\$ 6,220,272</u>	<u>\$ 6,545,794</u>
4.3%	2.5%	6.4%	11.6%	11.5%	5.2%
\$ 752,712	\$ 781,400	\$ 836,895	\$ 907,670	\$ 977,146	\$ 1,018,512
8.8%	3.8%	7.1%	8.5%	7.7%	4.2%

3. On November 2, 1993, the voters of the County approved the imposition of an additional 0.5% sales tax for the purpose of funding certain mass transportation improvements within the County that became effective in January 1995. This revenue was originally dedicated to purchase the Denver Rio Grande right-of-way. The right-of-way was acquired in 1997.

Pitkin County, Colorado

**Annual Skier Days by Area (1)
(Unaudited)
Last ten years**

<u>Year</u>	<u>Aspen Mountain</u>	<u>Buttermilk</u>	<u>Snowmass</u>	<u>Aspen Highlands</u>	<u>Grand Total</u>	<u>Percent Increase (Decrease)</u>
2003/2004	298,831	139,213	724,753	160,836	1,323,633	0.8%
2004/2005	304,497	148,390	747,303	167,390	1,367,580	3.3%
2005/2006	324,468	159,081	768,010	193,244	1,444,803	5.6%
2006/2007	327,750	153,831	769,570	193,496	1,444,647	0.0%
2007/2008	332,981	154,926	771,455	211,635	1,470,997	1.8%
2008/2009	284,781	120,084	694,773	183,710	1,283,348	-12.8%
2009/2010	294,439	143,115	725,709	174,947	1,338,210	4.3%
2010/2011	291,904	131,995	737,066	199,567	1,360,532	1.7%
2011/2012	295,749	146,577	731,786	161,984	1,336,096	-1.8%
2012/2013 (2)	N/A	N/A	N/A	N/A	1,375,513	3.0%
2013/2014 (3)	N/A	N/A	N/A	N/A	1,348,003	-2.0%
2014/2015 (3)	N/A	N/A	N/A	N/A	1,307,563	-3.0%
2015/2016 (3)	N/A	N/A	N/A	N/A	1,346,790	3.0%
2016/2017 (3)	N/A	N/A	N/A	N/A	1,357,294	0.8%

- (1) A skier day is a lift ticket issued to a child or adult for a full or half day of skiing.
- (2) Skier days per mountain were not available.
- (3) Aspen Ski Company only releases percentage increase from previous year.

Source: Aspen Ski Company

Pitkin County, Colorado
Full-Time Equivalent County Government Employees
(Unaudited)

Last Ten Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Government										
Administrative Services	0.60	0.60	-	-	-	-	-	-	-	-
Assessor	9.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Board of County Commissioners	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Clerk and Recorder	9.55	10.55	10.55	10.55	10.55	10.55	11.55	10.55	11.05	11.25
County Attorney	5.00	5.00	5.00	5.00	5.00	5.00	5.00	6.00	6.00	6.00
County Manager	4.80	4.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	4.80
Facilities	10.75	10.75	9.75	9.75	9.75	8.75	9.75	9.75	11.35	11.75
Finance	8.80	8.80	8.80	8.80	8.80	7.80	7.80	7.00	8.00	8.00
Human Resources	3.40	3.80	3.80	3.80	4.00	4.00	4.00	4.00	4.00	4.00
Public Relations	1.30	1.25	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Technical Coordinator	-	-	1.00	1.00	-	-	0.00	3.00	8.00	10.00
Treasurer	3.00	3.00	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Use Tax	-	-	-	-	1.00	1.00	1.00	1.00	1.00	1.00
Judicial and Public Safety										
Communications Center	15.00	15.00	16.00	16.00	16.00	17.00	17.00	14.00	14.00	14.00
Detention	11.80	11.80	11.80	12.80	13.80	14.00	14.00	14.00	14.00	15.00
Emergency Management	1.00	1.00	1.00	1.00	1.00	1.00	1.75	1.75	1.75	1.00
Sheriff	25.75	25.75	27.75	27.00	28.00	28.00	27.00	27.00	27.00	27.00
Radio/Phones	2.00	2.00	2.00	2.00	2.00	2.00	2.00	1.00	1.00	1.00
Building Inspections	7.00	7.00	7.00	7.00	6.00	5.00	5.00	7.00	8.00	8.00
Planning and Zoning	10.00	10.50	10.50	10.50	10.00	10.00	8.60	8.00	9.00	9.00
Public Works										
Administrative Services	5.20	5.20	6.00	6.00	5.00	5.00	4.00	4.00	4.00	5.00
Fleet Services	5.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00
Land Management	1.00	1.00	1.00	1.00	1.00	-	-	-	-	-
Road and Bridge	10.00	10.00	10.00	10.00	10.00	9.00	9.00	9.00	9.00	9.00
Translator	0.80	0.80	1.00	1.00	1.00	1.00	0.00	1.00	1.00	2.00
Health and Welfare										
Animal Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health	5.00	5.00	6.00	5.00	2.00	2.00	2.00	2.00	2.00	2.00
Healthy Community Fund	-	-	-	-	0.00	0.00	0.00	0.00	0.50	0.50
Human Services	1.50	1.75	2.00	2.00	2.00	2.00	2.80	2.80	3.00	4.53
Senior Services	4.05	4.85	5.05	5.20	5.20	5.20	5.28	5.28	5.28	5.38
Social Services	3.00	3.00	2.00	3.00	3.00	3.00	5.00	6.00	6.00	8.00
Wildlife Management	-	-	-	-	-	-	-	-	-	-
Cultural and Recreation										
Library	21.20	20.98	20.98	22.00	22.00	22.00	22.00	22.00	22.00	22.00
Open Space and Trails	5.00	5.00	5.00	5.00	7.00	7.00	7.00	9.00	9.00	10.00
Business-type										
Airport Operations	23.00	25.40	24.40	24.00	24.00	25.00	25.00	25.00	25.00	25.00
Solid Waste and Recycling	12.00	12.00	12.00	12.00	11.00	10.00	10.00	10.00	10.00	13.00
	<u>231.50</u>	<u>238.58</u>	<u>240.78</u>	<u>241.80</u>	<u>239.50</u>	<u>235.70</u>	<u>236.93</u>	<u>240.53</u>	<u>252.33</u>	<u>265.80</u>

Note: The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest whole number. These numbers are approved staffing complement for the year indicated, including seasonal employees.

Source: Pitkin County Human Resources

Pitkin County, Colorado
Operating Indicators by Function/Program
(Unaudited)

Last Ten Years

Function/Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Government										
Assessor										
Property transfers	1,505	1,453	1,288	1,474	1,690	1639	1803	2192	1655	1564
Public Trustee										
Number of foreclosures filed	12	35	105	144	113	113	57	28	23	17
Clerk and Recorder										
Number of vehicle registrations	18,419	18,990	18,447	17,687	18,099	18,131	18,613	19,469	19,667	20,077
Number of registered voters	12,142	13,307	13,537	13,617	13,751	14,619	15,135	15,595	14,871	15,280
Human Resources										
Number of job applications processed	852	1046	634	1,042	818	1,392	1,243	1,354	712	1,211
Judicial and Public Safety										
Coroner										
Number of deaths investigated	23	29	21	22	28	24	26	45	28	25
Detention										
Average daily population	15	16	16	17	16	17.1	16	17	15	20
District Attorney										
Number of Felony cases	65	96	100	94	114	80	89	51	51	74
Number of juvenile cases	24	9	23	49	22	17	34	28	28	5
Sheriff										
Incidents handled by patrol and investigations	926	812	813	832	776	859	956	761	747	914
Building Inspections										
Number of building permits issued	415	364	282	320	290	378	346	392	488	439
Planning and Zoning										
Number of land use applications processed	182	199	172	148	143	154	137	148	139	135
Public Works										
Road and Bridge										
County roads (center lane miles)	265	265	265	265	265	265	265	265	265	265
Bridges	26	26	26	24	24	24	24	24	24	24
Health and Welfare										
Animal Control										
Number of animals placed in shelter	127	152	162	147	159	135	147	125	97	72
Environmental Health										
Number of food service inspections	156	165	165	167	155	143	170	153	161	101
Number of septic system permit reviews	102	104	45	66	84	83	109	133	132	139
Grant Administration										
Number of county grant applications processed	57	55	71	76	77	75	72	74	72	68
Senior Services										
Number of senior lunches	10,570	10,047	10,735	11,438	10,935	10,143	10,523	9,731	9,657	9,205
Number of requests for transportation	6,985	6,498	7,399	7,906	8,206	7,242	8,475	7,582	6,677	5,892
Human Services Public Assistance										
Caseload	165	250	328	346	435	428	480	862	1,234	1,503
Cultural and Recreation										
Library										
Number of books	104,541	109,413	111,599	112,491	93,277	95,402	83,365	78,647	78,952	77,393
Open Space and Trails										
Acres of conserved open space land	16,000	16,431	17,753	18,500	18,630	18,799	19,314	19,680	19,981	20,137
Trails maintained (lane miles)	40.00	43.00	47.00	47.88	48.00	42.05	68.00	73.07	73.07	73.07
Business-type										
Airport Operations										
Number of enplaned passengers	183,632	222,881	219,678	227,784	223,078	220,376	211,749	224,311	209,306	250,266
Solid Waste and Recycling										
Cubic yards of solid waste processed	295,000	347,094	220,000	106,000	112,585	120,633	131,305	N/A	N/A	N/A
Tons of solid waste processed	N/A	N/A	N/A	N/A	N/A	N/A	N/A	49,127	64,119	67,146
Recycled tons processed	5.5	3.0	5.0	6.3	3.7	3.1	2.9	1930	2430	2179

Source: Information provided by individual Pitkin County departments

Pitkin County, Colorado

AIRPORT OPERATIONS AND ENPLANED PASSENGERS
(Unaudited)
Aspen-Pitkin County Airport

Last ten years

Year	Itinerant operations (1)			Local Operations (2)		Percent Change	Enplaned Passengers	Percent Change
	Air Carrier	General Aviation	Total	General Aviation	Total Operations			
2007	19,166	22,397	41,563	1,181	42,744	-4.5%	183,632	-10.3% (3)
2008	20,599	22,385	42,984	3,602	46,586	9.0%	222,881	21.4%
2009	18,606	19,767	38,373	1,413	39,786	-14.6%	219,678	-1.4%
2010	17,643	16,092	33,735	3,868	37,603	-5.5%	227,784	3.7%
2011	18,336	15,753	34,089	3,516	37,605	0.0%	223,078	-2.1%
2012	18,282	14,985	33,267	3,550	36,817	-2.1%	220,376	-1.2%
2013	17,735	14,266	32,001	3,268	35,269	-4.2%	211,749	-3.9%
2014	17,642	14,060	31,702	3,578	35,280	0.0%	224,311	5.9%
2015	18,660	15,603	34,263	4,931	39,194	11.1%	235,860	5.1%
2016	19,558	16,586	36,144	5,196	41,340	5.5%	250,266	6.1%

(1) A landing or takeoff when aircraft enters into or leaves Aspen airspace.

(2) A landing or takeoff when aircraft remains in Aspen airspace.

(3) Pitkin County Airport was closed from April 9, 2007 to June 7, 2007

Source: Pitkin County Airport Manager

Pitkin County, Colorado
Capital Asset Statistics by Function/Program
(Unaudited)

Last Ten Years

Function/Program	2007	2008	2009	2010
General Government				
Land	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
Buildings	7,666,508	6,702,330	6,702,330	6,858,306
Improvements	204,511	169,292	157,340	157,340
Equipment	3,130,537	3,813,303	3,004,281	3,234,512
Infrastructure	32,768	32,768	32,768	32,768
Total General Government	13,297,776	12,981,145	12,160,171	12,546,378
Public Safety				
Land	392,693	392,693	392,693	392,693
Buildings	4,295,094	4,188,220	4,260,770	4,255,455
Improvements	23,696	23,696	23,696	23,696
Equipment	2,571,506	2,932,562	3,317,375	3,932,875
Total Public Safety	7,282,989	7,537,171	7,994,534	8,604,719
Public Works				
Land	2,636,598	2,134,603	2,076,225	2,076,225
Buildings	8,647,833	8,650,590	8,631,737	8,631,737
Improvements	519,598	658,646	658,646	658,646
Equipment	3,808,547	4,172,762	4,389,229	5,853,702
Infrastructure	27,222,384	30,175,659	30,175,659	31,275,659
Intangible Assets	-	501,996	501,996	501,995
Total Public Works	42,834,960	45,792,260	45,931,496	48,495,969
Health and Welfare				
Buildings	3,166,861	4,280,106	4,290,099	4,389,292
Improvements	95,243	95,243	95,243	81,380
Equipment	151,664	149,703	148,807	148,807
Infrastructure	56,373	56,373	56,373	56,373
Total Health and Welfare	3,470,141	4,581,425	4,590,522	4,675,852
Cultural and Recreation				
Land	74,832,801	61,205,398	65,603,726	80,926,544
Buildings	59,181	59,181	59,181	59,181
Improvements	498,870	488,870	488,870	488,870
Equipment	251,059	201,580	336,252	356,682
Infrastructure	10,054,340	10,054,340	10,054,340	13,487,947
Intangible Assets	-	27,432,967	43,473,026	45,548,027
Total Cultural and Recreation	85,696,251	72,009,369	76,542,369	95,319,224

2011	2012	2013	2014	2015	2016
\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
6,821,667	7,526,440	6,864,477	2,870,554	6,168,998	9,761,069
157,339	157,340	140,145	55,430	169,005	169,005
3,033,682	3,057,557	3,064,379	774,271	2,179,166	2,294,512
32,768	32,768	32,768	15,874	32,768	32,768
12,308,908	13,037,557	12,365,221	5,979,581	10,813,389	14,520,806
392,693	392,693	392,693	392,693	392,693	392,693
4,243,280	4,243,280	4,243,280	1,461,886	4,243,280	4,243,280
23,696	23,696	23,696	6,866	23,695	23,695
3,887,338	4,541,652	4,130,563	2,106,819	3,704,003	4,851,566
8,547,007	9,201,321	8,790,232	3,968,264	8,363,671	9,511,234
2,076,225	2,076,225	2,076,225	2,076,225	2,076,225	2,076,225
8,652,750	8,730,166	8,730,166	1,579,667	8,749,765	8,749,765
658,646	658,646	454,293	70,316	448,296	448,296
5,880,409	5,854,744	5,841,383	3,508,127	7,047,306	7,509,103
31,275,662	31,705,731	31,705,731	19,084,399	38,877,807	39,286,901
501,992	501,995	501,995	501,992	501,995	501,995
48,543,692	49,025,512	49,309,793	26,820,726	57,701,394	58,572,285
4,379,922	4,391,525	4,381,357	1,935,470	4,380,034	4,380,034
15,473	15,472	15,473	6,640	15,473	15,473
146,518	146,520	146,518	69,657	239,537	320,873
56,373	56,374	56,373	27,309	56,373	56,373
4,598,286	4,609,891	4,599,721	2,039,076	4,691,417	4,772,753
80,926,544	81,468,748	84,095,137	88,196,999	95,833,434	99,003,068
651,132	782,763	782,763	660,639	782,763	782,763
1,232,132	1,232,132	1,264,895	777,465	1,264,895	1,264,895
356,682	367,977	395,643	206,680	601,185	687,442
14,587,896	14,958,175	15,414,417	8,323,801	18,101,669	18,215,933
45,548,029	45,548,026	45,415,158	45,415,160	45,911,162	47,915,557
97,754,386	98,809,795	147,368,013	143,580,744	162,495,108	167,869,658

(Continued)

Pitkin County, Colorado
Capital Asset Statistics by Function/Program (continued)
(Unaudited)

Last Ten Years

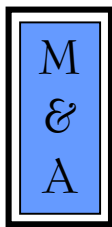
Function/Program	2007	2008	2009	2010
Conservation of Natural Resources				
Equipment	127,833	127,833	127,833	135,036
Total Conservation of Nat. Resources	127,833	127,833	127,833	135,036
Housing and Development				
Land	730,050	730,050	730,050	730,050
Buildings	-	-	-	-
Improvements	-	-	-	-
Total Housing and Development	730,050	730,050	730,050	730,050
Construction in Progress	7,659,721	4,150,177	3,875,926	1,649,975
Total Governmental	<u>\$ 161,099,721</u>	<u>\$ 147,909,430</u>	<u>\$ 151,952,901</u>	<u>\$ 172,157,203</u>
Business-type				
Airport				
Land	\$ 10,480,840	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279
Buildings	7,122,651	18,717,688	18,749,257	18,749,257
Improvements	30,964,267	30,841,247	51,970,342	52,118,955
Equipment	6,287,745	6,504,783	7,369,076	8,651,643
Construction in Progress	40,662,297	21,097,613	4,318,461	5,302,255
Intangible Assets	-	2,955,956	2,955,956	2,955,956
Total Airport	54,855,503	63,936,997	85,961,954	87,393,134
Solid Waste Center				
Land	50,000	50,000	50,000	50,000
Buildings	665,070	546,460	530,811	382,581
Improvements	2,055,845	3,337,549	1,629,664	1,629,664
Equipment	1,227,292	1,054,674	1,094,024	1,094,024
Construction in Progress	263,799	25,235	-	31,990
Total Solid Waste Center	3,998,207	4,988,683	3,304,499	3,156,269
Total business-type	<u>\$ 58,853,710</u>	<u>\$ 68,925,680</u>	<u>\$ 89,266,453</u>	<u>\$ 90,549,403</u>

Source: Pitkin County Fixed Asset Management System

2011	2012	2013	2014	2015	2015
112,131	112,131	93,815	27,178	93,815	68,731
112,131	112,131	93,815	27,178	93,815	68,731
730,050	730,050	730,050	730,050	730,050	730,050
-	-	741,755	1,772,222	2,813,896	2,813,897
-	-	-	-	-	-
730,050	730,050	1,471,805	2,502,272	3,543,946	3,543,947
627,942	742,029	6,553,691	1,108,049	990,101	3,755,295
\$ 173,222,402	\$ 176,268,286	\$ 230,552,291	\$ 186,025,890	\$ 248,692,841	\$ 262,614,709
\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279
18,749,257	18,970,151	18,963,831	12,391,941	18,872,386	19,607,863
52,143,270	56,555,696	56,555,696	51,224,968	77,804,978	77,804,978
8,153,276	9,214,724	9,304,840	4,366,797	10,792,295	10,883,267
18,885,024	21,435,097	21,921,987	1,714,831	332,900	25,000
2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956
86,919,082	92,613,850	117,575,589	80,527,772	118,631,794	119,150,343
50,000	50,000	50,000	50,000	50,000	50,000
382,581	998,218	998,218	750,438	1,070,339	1,052,151
1,629,664	1,655,528	1,655,528	887,151	1,668,891	1,680,784
1,426,600	1,446,981	1,441,580	543,190	4,463,163	4,439,688
29,762	-	-	194,680	-	132,273
3,488,845	4,150,727	4,145,326	2,425,459	7,252,393	7,354,896
\$ 90,407,927	\$ 96,764,577	\$ 121,720,915	\$ 82,953,231	\$ 125,884,187	\$ 126,505,239

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SINGLE AUDIT SECTION



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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

**To the Board of County Commissioners
Pitkin County, Colorado**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado (the "County") as of and for the year ended December 31, 2016, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated July 19, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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**INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Pitkin County, Colorado**

Compliance and Other Matters

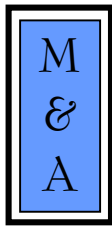
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
July 19, 2017**



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; ON COMPLIANCE WITH THE PASSENGER FACILITY CHARGE PROGRAM; AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE PASSENGER FACILITY CHARGE AUDIT GUIDE FOR PUBLIC AGENCIES

**To the Board of County Commissioners
Pitkin County, Colorado**

Report on Compliance for Each Major Program

We have audited the compliance of Pitkin County, Colorado (the "County") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2016 and its compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for its Passenger Facility Charge program for the year ended December 31, 2016. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs and to the Passenger Facility Charge program.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and the Passenger Facility Charge program based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2, U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and the Guide. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program and on the Passenger Facility Charge program occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program and on the Passenger Facility Charge program. However, our audit does not provide a legal determination on the County's compliance with those requirements.

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**INDEPENDENT AUDITOR'S REPORT
To the Board of County Commissioners
Pitkin County, Colorado**

Opinion on Each Major Federal Program and Passenger Facility Charge Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and on its Passenger Facility Charge program for the year ended December 31, 2016.

Report on Internal Control Over Compliance

Management of the County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the County's internal control over compliance with types of requirements that could have a direct and material effect on each major federal program and on the Passenger Facility Charge program to determine our auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and the Passenger Facility Charge program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the County's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or the Passenger Facility Charge program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or the Passenger Facility Charge program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or the Passenger Facility Charge program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and the Guide. Accordingly, this report is not suitable for any other purpose.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
July 19, 2017**

Pitkin County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2016

Part I – Summary of Auditor’s Results

Financial Statements:

Type of auditor’s report issued	Unmodified
Internal control over financial reporting:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Noncompliance material to financial statements noted	None noted

Federal Awards:

Internal control over major programs:	
Material weakness identified	None noted
Significant deficiency identified	None noted
Type of auditor’s report issued on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, U.S. Code of Federal Regulations, Part 200	No
Major programs:	
Airport Improvement Program	CFDA #20.106
Dollar threshold used to identify Type A from Type B programs:	\$750,000
Identified as low-risk auditee	Yes

Part II – Findings Related to Financial Statements

Findings related to financial statements as required by <i>Government Auditing Standards</i>	None noted
Auditor-assigned reference number	Not applicable

Part III – Findings Related to Federal Awards

Internal control findings	None noted
Compliance findings	None noted
Questioned costs	None noted
Auditor-assigned reference number	Not applicable

Pitkin County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2016
(Continued)

There were no findings for the year ended December 31, 2015.

Pitkin County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures	
Department of Agriculture				
Pass through Colorado Department of Human Services				
Federal Incentives for SNAP	10.551	N/A	374	A
State Admin Matching Grants for SNAP	10.561	N/A	108,904	A
Total Department of Agriculture			109,278	
Department of the Interior				
Bureau of Reclamation				
Direct Funding				
WaterSmart Grant	15.504	R14AP00103	29,229	
Total Department of the Interior			29,229	
Department of Transportation				
Federal Aviation Administration				
Direct Funding				
Environmental Assessment Phase I & II	20.106	03-08-0003-51	2,039,643	
Environmental Assessment Phase III	20.106	03-08-0003-52	233,807	
Total Department of Transportation			2,273,450	
Department of Health and Human Services				
Pass through Colorado Department of Human Services				
IV-E Related Guardian Assistance	93.090	N/A	799	C
CO Works (TANF)	93.558	N/A	72,628	
Title IV-D Admin	93.563	N/A	34,141	
LEAP	93.568	N/A	10,904	
CCDF Discretionary	93.575	N/A	59,711	B
CCDF	93.596	N/A	83,632	B
Title IV-B Child Welfare	93.645	N/A	1,013	
Title IV-E Foster Care	93.658	N/A	131,096	C
Title IV-E Adoption Assistance	93.659	N/A	3,241	C
Title XX Block Grant	93.667	N/A	78,360	
Title XIX MEDICAID	93.778	N/A	102,042	
Subtotal Pass through Colorado Department of Human Services			577,567	
Pass through Colorado Department of Local Affairs				
Community Service Block Grant 15-18	93.569	L-15CSBG25	10,622	
Subtotal Pass through Colorado Department of Local Affairs			10,622	
Pass through Northwest Colorado Council of Governments				
Title III-C1 and C2 of the Older Americans Act 16-17	93.045	84 063-9906-2017	63,571	D
Title III-C1 and C2 of the Older Americans Act 15-16	93.045	84 063-9906-2016	43,174	D
Subtotal 93.045			106,745	
NSIP - Nutrition Services - Older Americans Act FFY16	93.053	84 063-9906-2016	7,097	D
Subtotal Pass through Northwest Colorado Council of Governments			113,842	
Pass through Colorado Department of Public Health and Environment				
Maternal and Child Health Services Block Grant to States	93.994	ND15L	2,901	
Maternal and Child Health Services Block Grant to States	93.994	ND16L	8,702	
Maternal and Child Health Services Block Grant to States	93.994	ND17L	2,901	
CHAPS	93.758	HC16A	2,500	
Subtotal Pass through Colorado Department of Public Health and Environment			17,004	
Total Department of Health and Human Services			719,035	

(continuing)

Pitkin County, Colorado
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended December 31, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures
Department of Justice			
Bureau of Justice Assistance			
Direct Funding			
State Criminal Alien Assistance Program	16.606	2016-H1293-CO-AP	6,885
Total Department of Justice			6,885
Pass through Colorado Department of Public Safety Office of Emergency Management			
Federal Emergency Management Agency			
Pass through Colorado Department of Public Safety Office of Emergency Management			
Emergency Management Performance Grant	97.042	14EM-17-50	48,750
Total Department of Public Safety			48,750
TOTAL EXPENDITURES OF FEDERAL AWARDS			3,186,627

Additional Information for Clusters:

A SNAP Cluster	\$ 109,278
B CCDF Cluster	\$ 143,343
C Title IV-E Cluster	\$ 135,136
D Aging Cluster	\$ 113,842

Notes to the Schedule of Expenditures of Federal Awards for the Year ended December 31, 2016:

General

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Pitkin County, Colorado (the "County"). The County's reporting entity is defined in Note I.A. to the County's basic financial statements. All federal financial assistance received by the reporting entity directly from federal agencies, as well as federal financial assistance passed through other government agencies, including the State of Colorado, is included in this schedule. In addition, federal financial assistance awarded directly to eligible County Social Services recipients via Electronic Benefits Transfer ("EBT") is also included in the schedule, with the exception of the Supplemental Nutritional Assistance Program EBT. The State of Colorado issues EBT to the eligible County recipients. Only the federal share of pass-through awards is included on the schedule.

Basis of Presentation

The accompanying schedule of expenditures of federal awards is presented using the modified accrual basis of accounting, which is described in Note I.D. to the basic financial statements. The information in this schedule is presented in accordance with the requirements of Title 2, U.S. Code of Federal Regulations ("CFR"), Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Indirect Facilities and Administration Costs

The County does not use the 10% de minimis cost rate allowed in Title 2, U.S. CFR, Part 200.414, *Indirect (F&A) costs*. Instead, the County prepares an annual cost allocation plan to allocate indirect costs.

Sub-recipients of Grant Awards

Federal financial assistance provided to subrecipients is treated as an expenditure when it is paid to the subrecipient. During 2016, the following awards were granted to sub-recipients :

Subrecipients of Grant Awards	Amount
Department of Health and Human Services	
Community Services Block Grant	\$ 10,622

CFDA and Contract Numbers

Certain programs do not contain CFDA and/or State or Federal contract numbers because they have not been assigned these numbers or the numbers were not obtainable.

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