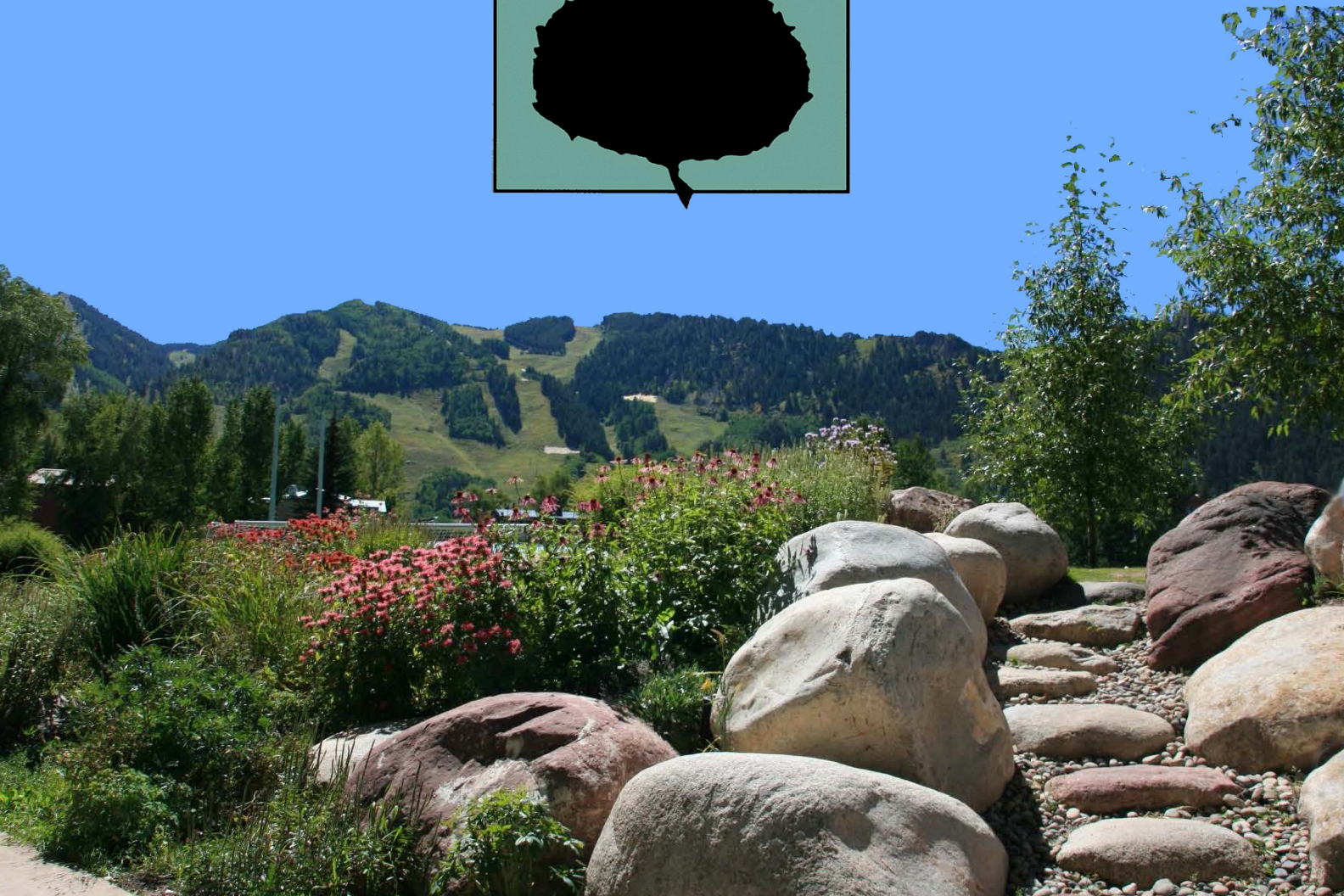
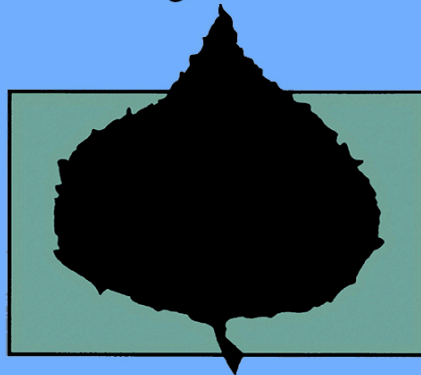


City of Aspen, Colorado

2016

**Comprehensive Annual
Financial Report**

For Year Ending December 31, 2016





THE CITY OF ASPEN

**City of Aspen, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2016**

*Prepared by the Finance Department of the City of Aspen
Don Taylor, Director of Finance and Administrative Services*

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**City of Aspen, Colorado
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December 31, 2016**

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THE CITY OF ASPEN

INTRODUCTORY SECTION

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THE CITY OF ASPEN

FINANCE DEPARTMENT
130 SOUTH GALENA STREET
ASPEN, COLORADO 81611

June 28, 2017

To the Honorable Mayor, Members of the City Council,
City Manager and Citizens of the City of Aspen:

It is with great pleasure that the Comprehensive Annual Financial Report (CAFR) for the City of Aspen (the "City") for the year ended December 31, 2016, is presented. The City Charter, in conjunction with State law, requires a complete set of financial statements presented in conformity with generally accepted accounting principles (GAAP) to be published within six months of the close of each fiscal year and audited in accordance with generally accepted auditing standards by a firm of certified public accountants. This Comprehensive Annual Financial Report is hereby issued and submitted to you in accordance with these requirements.

This report consists of management's representations concerning the finances of the City of Aspen. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established an internal control framework that is designed to both protect the assets of the City from loss, theft, or misuse and to allow for the compiling of sufficient reliable information for the preparation of the City's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City's internal control procedures have been designed to provide reasonable, rather than absolute assurance that the financial statements will be free from material misstatement. To the best of management's knowledge and belief, this financial report is complete and reliable in all material respects.

McMahan and Associates, L.L.C., a firm of certified public accountants, performed the annually required independent audit of the City's annual financial report. This independent audit provides reasonable assurance that the financial statements of the City of Aspen for the fiscal year ended December 31, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Aspen's financial statements for the fiscal year ended December 31, 2016, are fairly presented in conformity with GAAP. The independent auditor's report is presented on page A1 & A2 in the financial section of this report.

Generally accepted accounting principles require that management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). The City of Aspen's MD&A can be found immediately following the report of the independent auditors. This letter of transmittal and the MD&A are designed to complement each other and should be read in that context.

Profile of City of Aspen Government

The City of Aspen was incorporated in 1879 under provisions of the Constitution of Colorado. On January 1, 1972, the City became a Colorado home rule city. The City is located in central Colorado, situated within the Rocky Mountains, approximately 205 miles west of Denver, encompassing approximately four square miles and is the county seat of Pitkin County. The estimated current population of the City is 7,099. Aspen is an international destination resort community and the local population increases to as high as 30,000 during peak ski and summer vacation seasons with both seasonal residents and visitors.

The City has all the powers granted to municipal corporations and to cities by the constitution and general laws of the State of Colorado, including the power to acquire property within or outside its corporate limits for any City purpose, to sell, lease, mortgage, hold, manage, and control such property as its interests may require, except as prohibited by the state constitution or the City Charter.

Policy-making and legislative authority are vested in a City Council consisting of five members one of which is a separately elected Mayor. The Council is responsible, among other things, for passing ordinances, adopting the budget, appointing boards and commissions, and hiring the City Manager, City Attorney, and Municipal Judge. The City Manager is responsible for carrying out the policies and ordinances of the Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year staggered terms, with two council members elected every two years. The Mayor's term is two years. All Council positions are elected on a city-wide basis.

While the City Council exercises the legislative power of the City, other City officials oversee the daily operation of the City. Aspen is a Council-Manager form of City government and provides full-service municipal services. As noted above, the City Council appoints the City Manager and City Attorney, both of whom serve at the pleasure of the Council. The Council also ratifies the appointment of the Finance Director and City Clerk, as required by the City Charter.

The City has approximately 333 full-time equivalent employees. General Government Services provided include police, parks and recreation, parking and transportation, environmental health and protection, community development and planning, financial management, information technology, street maintenance, capital project management, and engineering. In addition to general government services, the City operates the Wheeler Opera House, a historic opera house originally constructed in the 1890's – it was purchased and refurbished by the City in the 1980's. The Wheeler today is host to musical and artistic presentations from local and internationally acclaimed actors and entertainers. The City provides deed restricted workforce housing for some of its employees as well as workers for other organizations within the Aspen area. The City also provides support, training, and funding to local childcare providers through its "Kids First" program, operates a municipal golf course, and provides water and electric utility services, generating 100% of its power from renewable energy. Fire protection, sanitary sewerage, public schools, and medical services are provided to City residents by a variety of public and private entities depending on property location.

Financial Management and Factors Affecting Financial Condition

The City of Aspen's economy experienced a downturn starting in 2008 and transitioned into recovery in 2010. Since then the local economy has experienced sustained improvements including 2015 and 2016's trends of high growth. Indicators include increases in sales tax and lodging tax when compared to the prior year of 6.7% and 10.2%, respectively. Overall, the City's government-wide net position increased by 7.2% from 2015.

Additional, and more complete information regarding the City's overall financial condition and changes in net position, can be found in the Management's Discussion and Analysis, found on page B1 of this report.

From a financial management standpoint, the City has maintained strong controls, both in the areas of internal controls and budgetary controls. The City's reliance on consumption-based tax revenues for ongoing operations requires recognition that contraction of the local retail or real estate economy will result in a decrease in revenues to support operations. These controls create an environment that permits the City to quickly adapt to changes in revenue forecasts, modifying spending plans accordingly.

The Finance Director oversees a set of City-wide internal controls that provide reasonable assurances that financial activity transacted by and among City departments is managed in a way that results in complete, accurate, and timely accounting for all financial transactions. All bank statements and accounts are closed and reconciled monthly, and the City's internal controls are demonstrated through the Finance Department's monthly presentation of its financial condition through its Month End Financial Report, which documents the condition of each and every fund of City government and reports the condition of the City's investment portfolio on a fair market value basis.

The objective of the City's budgetary controls is twofold: to ensure compliance with legal provisions embodied in the annually appropriated budget approved by the City Council and to provide funding allocations to City departments sufficient to permit them to effectively and efficiently deliver services to their customers, the citizens, and Aspen visitors.

Activities of the general fund, special revenue funds, debt service fund, capital project fund, business-type funds, and internal service funds are included in the annually appropriated budget resolution. Appropriations for all funds lapse at year end. The level of budgetary control (that is, the level at which expenditures cannot legally exceed the appropriated amount) is established at the individual fund level. Even though the budget enacted by the City Council is at the fund level, the City prepares a program based budget by department for control at the departmental level, typically referred to as each department's "bottom line" operating budget. Department heads have the authority to reallocate the distribution of budget amounts within and among programs within their department as necessary to accomplish priority goals and achieve their departmental mission. The City also maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbered amounts are not an actual use of appropriations. Therefore, open encumbrances at year-end for which the expenditure has not yet occurred are canceled.

The City utilizes a fund balance policy as another form of budgetary control. This policy ensures sufficient cash is on hand (typically 60 to 90 days of annual appropriations) to cover all current cash flow and budgetary requirements, and sets targets for fund balances sufficient to permit the City to absorb an economic downturn without having to significantly reduce services or ask Aspen's citizens for emergency funding to cover the cost of necessary operating costs.

As noted above, budget-to-actual comparisons are provided in this report for each major individual governmental fund for which an appropriated annual budget has been adopted.

Long-term Financial Planning

Management's ten year financial plans for each major City fund assume reasonable and reduced growth rates for revenues, based upon historical results and current economic conditions, and pragmatic expenditure estimates that take into account increasing cost pressures in the energy and transportation sectors of the economy, and the reality of increasing health care and wage costs for City employees.

The Aspen economy shows continued signs of improvement in 2016, with increased collections in taxes. Apart from that, conservative budgets are still in place to ensure sufficient reserves and in the case of another shift in the economy. Please see the Management Discussion and Analysis for more complete information regarding the City's multi-year financial planning process and the predicted future financial condition of all budgeted funds.

Compliance with the Taxpayer Bill of Rights

The Colorado Constitutional Amendment passed in November 1992 known as TABOR (Taxpayer Bill Of Rights), restricts growth in governmental revenues and property tax revenues to amounts adjusted for inflation and a local growth factor. The City received voter approval for permanent exemption from TABOR revenue limits for all non-property tax revenue sources in 1993. The City has applied a mill levy credit for years where the increase in property tax revenue would have exceeded the TABOR limit. In 2016, the amount of the credit was increased to offset assessed valuations that would have generated property taxes in excess of the TABOR limitations.

Major Initiatives and Accomplishments

Project teams made significant progress toward the Galena Plaza redevelopment and site work. Most of the work was completed through 2016 with construction wrapping up in 2017.

Construction began on the new Aspen Police station in 2016 with the demolition of the building on site. The project will carry over into 2018.

During 2016, the City completed notable projects such as the completion of the Ruby Park transit center, water reclamation, Oklahoma Flats trail regrading, and Mill Street utility and pedestrian improvements. The City also kicked off the development stages of the Galena Office building along with the development of the Aspen Pedestrian Mall redesign.

Awards and Acknowledgements

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Aspen for its comprehensive annual report (CAFR) for the fiscal year ended December 31, 2015. 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 reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. The City believes the current report continues to conform to the Certificate of Achievement Program requirements and will submit it to the GFOA to determine eligibility for another certificate.

The timely preparation of this report was accomplished through the efficient and dedicated services of the entire City of Aspen Finance Department staff. I would like to express my appreciation of all members of the Department who assisted and contributed to its preparation. It should be noted that staff from other departments provide great assistance in the preparation of the report and their work is also appreciated. On behalf of the administration, I would also like to thank the Mayor and City Council for their interest and support in planning and conducting the financial operations of the City in a responsible and progressive manner.

The City's external auditors, McMahan and Associates, L.L.C., are also commended for their comprehensive and efficient examination of the various funds of the City for the fiscal year ended December 31, 2016.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Don Taylor", with a stylized flourish at the end.

Don Taylor
Director of Finance and Administrative Services



Government Finance Officers Association

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

Presented to

**City of Aspen
Colorado**

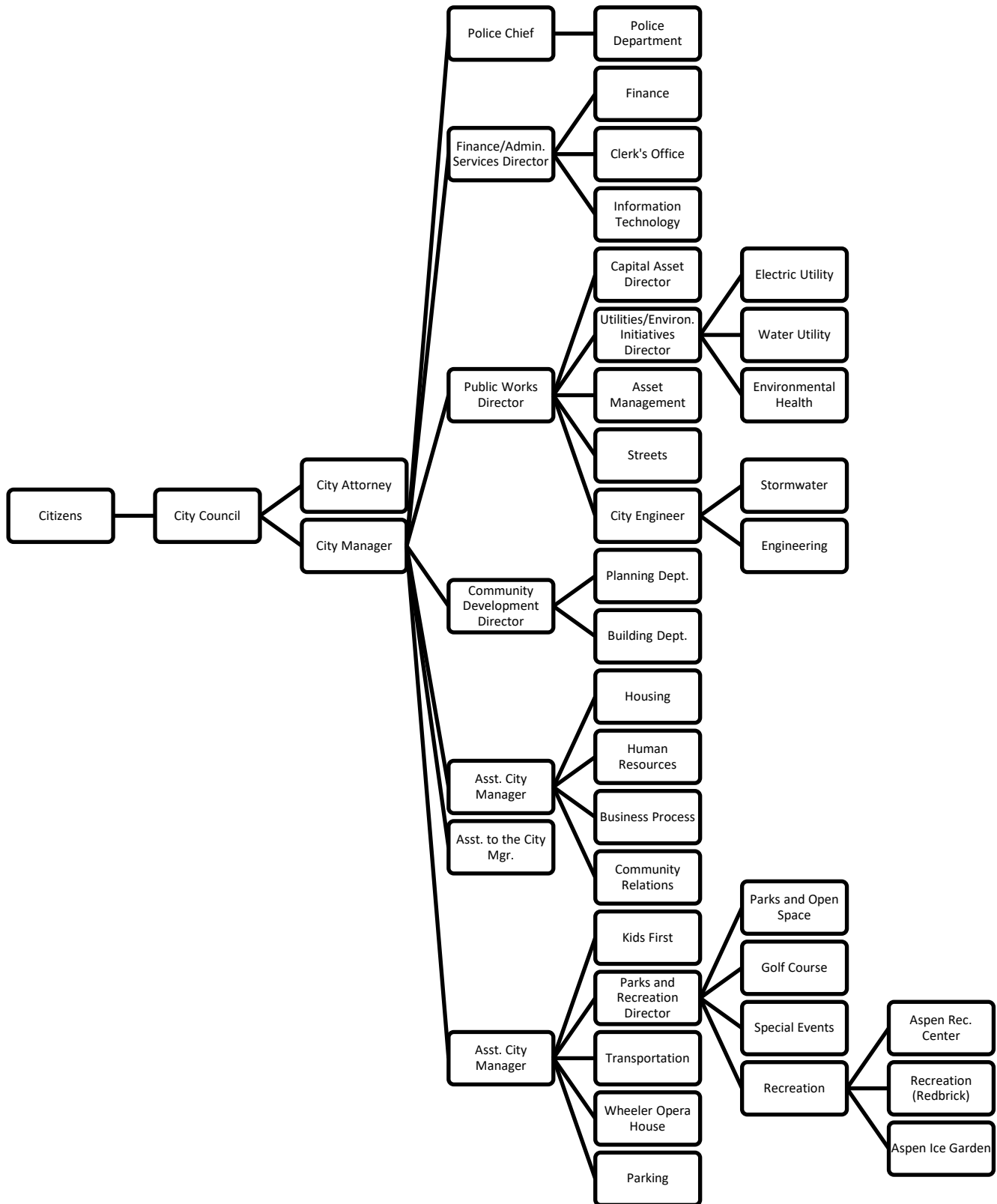
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2015

A handwritten signature in black ink, reading "Jeffrey R. Emer". The signature is written in a cursive, flowing style.

Executive Director/CEO

**City of Aspen, Colorado
Organizational Chart
December 31, 2016**



City of Aspen, Colorado

As of December 31, 2016

Members of the City Council

Steve Skadron, Mayor
Adam Frisch
Ann Mullins
Bert Myrin
Art Daily

City Officials

Stephen Barwick, City Manager
Barry Crook, Assistant City Manager
Randy Ready, Assistant City Manager
Scott Miller, Public Works Director
Jim True, City Attorney
Linda Manning, City Clerk
Jessica Garrow, Community Development Director
Don Taylor, Director of Finance and Administrative Services
Alissa Farrell, Human Resources Director
Richard Pryor, Police Chief
Jeff Woods, Parks and Recreation Manager

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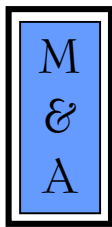
THE CITY OF ASPEN

FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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245 CHAPEL PLACE, SUITE 300
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INDEPENDENT AUDITOR'S REPORT

**The Honorable Mayor and City Council
City of Aspen, 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 the City of Aspen, Colorado, (the "City"), as of and for the year ended December 31, 2016, which collectively comprise the City's basic financial statements as listed in the table of contents, and the related notes to the financial statements.

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 opinions 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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves 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 the 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

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 the City of Aspen, Colorado at December 31, 2016 and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the general fund, wheeler transfer tax fund, affordable housing fund, and parks and open space fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Member: American Institute of Certified Public Accountants

PAUL J. BACKES, CPA, CGMA
MICHAEL N. JENKINS, CA, CPA, CGMA
DANIEL R. CUDAHY, CPA, CGMA

AVON: (970) 845-8800
ASPEN: (970) 544-3996
FRISCO: (970) 668-3481

Other Matters

Accounting principles generally accepted in the United States of America require that the 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 fund information in section E is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. The budgetary fund information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining non-major fund financial schedules, individual non-major fund budgetary schedules found in section F, the Annual Schedule of Revenues and Expenditures for Roads, Bridges and Streets and the statistical tables listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the financial statements.

The combining non-major fund financial schedules, individual fund budgetary schedules found in section F, and the Annual Schedule of Revenues and Expenditures for Roads, Bridges and Streets 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. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with U.S. generally accepted auditing standards. In our opinion, the combining non-major fund financial schedules, individual fund budgetary schedules found in section F, and the Annual Schedule of Revenues and Expenditures for Roads, Bridges and Streets is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
June 26, 2017**

MANAGEMENT'S DISCUSSION AND ANALYSIS

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City of Aspen, Colorado

Management's Discussion and Analysis

December 31, 2016

As management of the City of Aspen (the "City"), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2016.

Overview of the Financial Statements: This discussion and analysis is intended to serve as an introduction to the City's Comprehensive Annual Financial Report (CAFR). The discussion and analysis is comprised of six components:

- 1) Government-wide Financial Statements,
- 2) Fund Financial Statements,
- 3) Notes to the Financial Statements,
- 4) Statistical Section,
- 5) Government-wide Financial Analysis,
- 6) Fund Financial Analysis

This report also provides an analysis of the City's financial condition, how that condition has changed over the past 12 months, and how that condition is forecasted to change in coming years.

1. Government-wide Financial Statements: Found on pages C1 and C2 of this report, the government-wide financial statements are designed to provide readers with an executive summary level overview of the City's finances. These statements divide the City's financial activity into two broad categories; governmental and business-type or "enterprise" activities.

Governmental Activities: These are functions of the City that are principally supported by taxes and intergovernmental revenues. These activities are divided into five broad categories of service provision. The following chart provides a listing of City departments that comprise each of these broad categories of service delivery:

<u>Category</u>	<u>Departments</u>
<u>General government:</u>	City Council, City Manager, Human Resources (including Risk Management), City Clerk, City Attorney, Finance, Asset Management, Community Development & Building Inspection, Information Technology, Geographic Information Services, and Transportation
<u>Public health and welfare:</u>	Affordable Housing Departments, Kids First and Childcare, and Environmental Health
<u>Public safety:</u>	Police Department, Public Safety Records Department, and Public Safety Communications Department
<u>Public works:</u>	Engineering Department, Streets Department, and Stormwater Department
<u>Culture and Recreation services:</u>	Parks Department, Special Events and Marketing, Recreation Department, Aspen Recreation Center, Ice Garden Operations, and Wheeler Opera House Operations

Business-type Activities: The business-type activities of the City include water and electric utility operations (including hydroelectric power generation), parking operations and services, municipal golf operations, ditch water and certain affordable housing operations and services. Business-type activities are reported on page C2 by these service categories.

The City's expense budget is organized using this same structure.

Burlingame Housing, Inc. is presented in the Government-wide Financial Statements as a discretely presented component unit of the City.

The **Government-wide Statement of Net Position** (page C1) presents information on all of the City's assets, deferred outflows of resources, liabilities and deferred inflows of resources, with the difference reported as net position. The first and second columns of this statement provide separate reporting of governmental and business type assets, deferred outflows of resources, liabilities and deferred inflows of resources and calculate an ending net position by activity type. The third column provides a combined total of both governmental and business type categories. Over time, increases or decreases in net position may serve as a useful indicator of the City's changing financial condition.

The **Government-wide Statement of Activities** (page C2) presents information showing how the City of Aspen's governmental and business type net position changed, both by category of service and in total, during 2016. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes).

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

Governmental Funds: The City's governmental funds account on a fund by fund basis for the same functions reported collectively as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, which evaluate the overall net position of the City's governmental activities, the governmental fund financial statements disclose annual changes in the net position of individual funds. This disclosure may be useful in evaluating the fiscal condition of individual funds, and the government's near-term financing requirements based upon this disclosure of individual fund financial condition.

These funds are divided into two categories, "major" and "nonmajor," based upon total asset size, among other factors.

The City's major governmental funds and the location of their individual Statement of Revenues, Expenditures, and Changes in Fund Balances are as follows:

Fund Name:	Page Location in CAFR
General Fund.....	Page C7
Wheeler Transfer Tax Fund.....	Page C8
Affordable Housing Fund.....	Page C9
Parks and Open Space Fund.....	Page C10
Transportation Fund.....	Page C11
Asset Management Plan Fund.....	Page E8

The City also reports the following nonmajor governmental funds, found on the following pages:

Tourism/Regional Transportation Fund.....	Page E3
Aspen Public Education Revenue Fund.....	Page E4
Renewable Energy Mitigation Program Fund.....	Page E5
Kids First/Daycare Fund.....	Page E6
Stormwater Fund.....	Page E7
Debt Service Fund.....	Page E9

Combining statements of revenues, expenditures, and changes in fund balance, which summarize individual fund activity and provide an annual total for each of these funds types, can be found on pages C5 for all governmental funds and E2 for nonmajor governmental funds.

A balance sheet for all major and nonmajor governmental funds is provided on page C3. Page E1 provides a combining balance sheet for nonmajor governmental funds only. The balance sheet provides additional information regarding the financial condition of each individual fund and the City's government-wide financial condition by providing a summary accounting of assets and liabilities by the fund, and by providing a detail of restricted and unrestricted fund balances. The balance sheet and the statement of revenues, expenditures, and changes in fund balances are reconciled to each other to facilitate the readers' comparison of the fiscal condition for individual governmental funds and the City's overall fiscal condition.

Compliance with Budget adoption requirements: The City adopts an annual budget for all governmental funds, and amends that budget from time to time throughout the fiscal year. Each individual fund statement of revenues, expenditures, and changes in fund balance includes an “original” and “final” budgetary comparison column. These columns reconcile to the City Council's adopted budget resolutions for the fiscal year and demonstrate compliance with City Charter budgeting requirements and Colorado state budget statutes.

The basic major governmental fund financial statements, which provide a summary accounting of all of the City's governmental funds, can be found on pages C3 through C6.

“Business-type” Funds: The City maintains business-type funds commonly known as enterprise funds or proprietary funds. The City maintains three internal service funds, which are individually treated as business-type funds. The proprietary fund statements are used to report the same functions presented as business-type activities in the government-wide financial statements, excluding the internal service funds. The City uses proprietary funds to account for its water, electric, parking, golf, water rights and affordable workforce housing operations.

Business-type fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. While the government wide financial statements provide summary information for all governmental services combined, the proprietary fund financial statements provide separate information for each of the business-type services provided by the City. The City's proprietary funds include:

Fund Name:	Page Location in CAFR
Water Enterprise Fund.....	Page F4
Electric Enterprise Fund.....	Page F5
Truscott Place Housing Enterprise Fund.....	Page F6
Parking Enterprise Fund.....	Page F7
Golf Course Enterprise Fund.....	Page F8
Marolt Ranch Housing Enterprise Fund.....	Page F9
ACI Affordable 1 LLLP.....	Page F10
Si Johnson Ditch Company, Inc.....	Page F11
Health Insurance Internal Service Fund.....	Page G4
Employee Housing Internal Service Fund.....	Page G5
Information Technologies Internal Service Fund.....	Page G6

The internal service funds are eliminated at the government-wide level, with their assets and liabilities consolidated into governmental activities, where the majority of their services are provided.

The proprietary fund Combining Balance Sheet and Combining Statement of Revenues, Expenses, and Changes in Fund Balance, and Statement of Cash Flows are found on pages C12 through C14 of this report.

Fiduciary Funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. As such, these funds have no operations and no adopted budget. The accounting used for fiduciary funds is much like that used for proprietary funds. The fiduciary funds used by the City are the Police Seizure Fund and the Deposits Agency Fund.

The basic fiduciary fund financial statements can be found on page C15 of this report.

3. Notes to the Financial Statements: The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The Notes to the Financial Statements can be found on pages D1 through D35 of this report.

4. Statistical Section: This section of the report provides a historical analysis of key financial and demographic statistics regarding the City of Aspen's operations as well as the community in general. This information helps to place the annual financial disclosure and reporting into context with the community's population and economic makeup by providing information regarding overlapping taxing jurisdictions, major employers, and broad economic and financial trends.

5. Government-wide Financial Analysis: This section provides an analysis of the City's current financial condition, how that condition changed over the 2016 fiscal year, and how it is projected to change in coming years.

The following chart provides a comparison of government and business-type assets, liabilities, and net position for December 31, 2016 and 2015.

City of Aspen's Net Position						
	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Assets:						
Current and other assets	\$ 154,454,413	\$ 139,276,310	\$ 19,782,294	\$ 18,360,353	\$ 174,236,707	\$ 157,636,663
Capital assets, net	176,557,646	172,899,156	62,958,119	52,826,499	239,515,765	225,725,655
Total Assets	331,012,059	312,175,466	82,740,413	71,186,852	413,752,472	383,362,318
Deferred Outflows of Resources:						
Deferred loss on refunding	1,592,070	1,831,757	244,953	315,433	1,837,023	2,147,190
Total Deferred Outflows	1,592,070	1,831,757	244,953	315,433	1,837,023	2,147,190
Liabilities:						
Current liabilities	13,951,970	12,591,200	6,395,404	4,917,418	20,347,374	17,508,618
Noncurrent liabilities	38,400,502	40,920,908	16,143,426	8,918,358	54,543,928	49,839,266
Total Liabilities	52,352,472	53,512,108	22,538,830	13,835,776	74,891,302	67,347,884
Deferred Inflows of Resources:						
Unavailable revenue	7,751,633	7,427,986	-	-	7,751,633	7,427,986
Total Deferred Inflows	7,751,633	7,427,986	-	-	7,751,633	7,427,986
Net Position:						
Net investment in capital assets	140,718,214	128,377,736	43,934,920	43,501,037	184,653,134	171,878,773
Restricted	2,557,833	2,522,506	-	-	2,557,833	2,522,506
Unrestricted	129,223,977	122,166,887	16,511,616	14,165,472	145,735,593	136,332,359
Total Net Position	\$ 272,500,024	\$ 253,067,129	\$ 60,446,536	\$ 57,666,509	\$ 332,946,560	\$ 310,733,638

At the end of the 2016 fiscal year, the City reported an increase in total net position from the prior year. Overall, change in net position can be summarized by the following chart:

City of Aspen - Change in Net Position					
Asset Type	2016	2015	Change	Change %	
Governmental	\$ 272,500,024	\$ 253,067,129	\$19,432,895	7.7%	
Business-type	60,446,536	57,666,509	2,780,027	4.8%	
Total	\$ 332,946,560	\$ 310,733,638	\$22,212,922	7.1%	

The City's government-wide net position increased \$22,212,922 or 7.1% between January 1, 2016 and December 31, 2016. This increase is attributed to a number of variables discussed in detail in this report.

Within that annual total, governmental net position increased by \$19,432,895 or 7.7%. Sales, use, and lodging taxes were \$2 million higher than in 2015. A number of other factors contributed to the change in governmental net position as discussed further in the Financial Analysis of the City's Funds section of this report.

Business-type net position increased \$2,780,027 or 4.8%. This increase is explained by an overall increase in revenues. This increase is attributed to a number of variables discussed in detail in this report along with the additions of ACI Affordable 1 LLLP.

Traditionally, the largest portion of any municipality's investments is in its capital assets. Land, buildings, infrastructure, equipment, machinery, and specialized tools are necessary in order to deliver and/or provide services to the City's

residents and visitors. The City's net investment in capital assets account for 55% or \$184,653,134, of its total net position of \$332,946,560 as of December 31, 2016; these assets are not an available source for payment of future spending.

Of the City's \$332,946,560 net position, \$2,382,946 is restricted for TABOR Emergency and \$174,887 is restricted for community enhancement.

The following chart provides an analysis of changes in net position from the end of fiscal year 2015 to the end of fiscal year 2016. Revenues and expenses across all governmental and business type activities are disclosed in summary format, providing a general evaluation of revenue and expense activity resulting in a 7.1% increase in net position over the 12 months comprising fiscal year 2016. These activities are analyzed here by activity type:

CITY OF ASPEN, COLORADO
SUMMARY OF ACTIVITIES - DECEMBER 31, 2016 AND 2015

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Program revenues:						
Charges for services	\$ 21,603,725	\$ 18,416,006	\$ 22,746,429	\$ 21,078,303	\$ 44,350,154	\$ 39,494,309
Operating grants and contributions	4,390,176	775,341	368,239	285,902	4,758,415	1,061,243
Capital grants and contributions	147,832	10,455	2,703,476	851,030	2,851,308	861,485
General revenues:						
Sales and use taxes	26,997,832	25,297,010	-	-	26,997,832	25,297,010
Property taxes	7,337,156	7,201,345	-	-	7,337,156	7,201,345
Other taxes	14,813,369	20,266,355	-	-	14,813,369	20,266,355
Interest and other revenue	1,794,855	1,332,174	108,709	145,467	1,903,564	1,477,641
Total Revenues	77,084,945	73,298,686	25,926,853	22,360,702	103,011,798	95,659,388
Expenses						
General government	22,282,013	18,967,652	-	-	22,282,013	18,967,652
Public safety	5,429,850	5,410,262	-	-	5,429,850	5,410,262
Public works	6,549,835	5,955,820	-	-	6,549,835	5,955,820
Public health and welfare	6,875,477	8,356,434	-	-	6,875,477	8,356,434
Culture and recreation	18,292,654	15,861,894	-	-	18,292,654	15,861,894
Interest on long-term debt	1,254,344	1,439,454	-	-	1,254,344	1,439,454
Water system	-	-	5,703,047	5,179,360	5,703,047	5,179,360
Electric system	-	-	7,582,477	7,853,382	7,582,477	7,853,382
Affordable housing	-	-	2,784,265	1,903,302	2,784,265	1,903,302
Parking	-	-	2,504,049	2,131,682	2,504,049	2,131,682
Golf	-	-	1,540,865	1,479,929	1,540,865	1,479,929
Total Expenses	60,684,173	55,991,516	20,114,703	18,547,655	80,798,876	74,539,171
Change in Net Position						
Before Transfers	16,400,772	17,307,170	5,812,150	3,813,047	22,212,922	21,120,217
Transfers	3,032,123	1,762,090	(3,032,123)	(1,762,090)	-	-
Change in Net Position	19,432,895	19,069,260	2,780,027	2,050,957	22,212,922	21,120,217
Net Position - Beginning	253,067,129	233,997,869	57,666,509	55,615,552	310,733,638	289,613,421
Net Position - Ending	\$ 272,500,024	\$ 253,067,129	\$ 60,446,536	\$ 57,666,509	\$ 332,946,560	\$ 310,733,638

Governmental Activities Revenues and Expenditures: Overall, there was a large increase in net position for governmental activities of \$19.4 million. This increase is a result of multiple factors.

Revenues from governmental activities increased \$3,786,259, or 5.17%. Sales, use, and lodging tax collections were up \$2,025,698 from the prior year. In other tax revenue, Real Estate Transfer Taxes were \$5.8M lower in 2016 than in 2015. Real Estate Transfer Taxes are subject to the volatility of the real estate market. 2015 collections were higher than normal because of several large transactions, most notably the Sardy House transaction. A large contribution of \$3.5 million established the new Renewable Energy Mitigation Program Fund in 2016, which also brought in \$1.6 million in charges for services, contributing to the increase over 2015. A number of other factors contributed to the change in revenues for governmental activities as discussed further in the Financial Analysis of the City's Funds section of this report.

Expenditures from governmental activities increase from \$55,991,516 to \$60,684,173, an increase of \$4,692,657 or 8.4%. General Government expenses were \$3.3 million higher in 2016 than in 2015, primarily due to research and design of prospective administrative office space solutions, and movement between temporary offices.

Business Activities Revenues and Expenses: Revenues from business activities increased from \$22,360,702 to \$25,926,853, an increase of \$3,566,151 or 15.9%. Increases in charges for service revenue contributed to this increase, most notably increases of \$387,682 in the Water program and \$685,777 in the Affordable Housing program. Capital grant and contributions revenue is almost \$2 million higher in 2016 than in previous years, partially due to increased Tap Fee collections in the Water program, and primarily due to the addition of two blended component units: ACI Affordable 1 LLLP, included in the Affordable Housing program, and Si Johnson Ditch Company, Inc., included in the Water program. Capital contributions in the first year of operation totaled \$1.3 million between the two component units.

Expenses from business activities increased from \$18,547,655 to \$20,114,703, an increase of \$1,567,048, or 8.4%. The increase in expenses is a result of an increase of \$523,687 in the Water program and an increase of \$880,963 in the Affordable Housing program.

The City's business-type activity funds are charged their share of overall general governmental costs. The reimbursement of these costs from business-type activities to the General Fund provides for the appropriate allocation of the cost of administrative and other support services among all City of Aspen operating units. A detailed listing of 2016 interfund transfers can be found on page D19 of this report (Note IV, E).

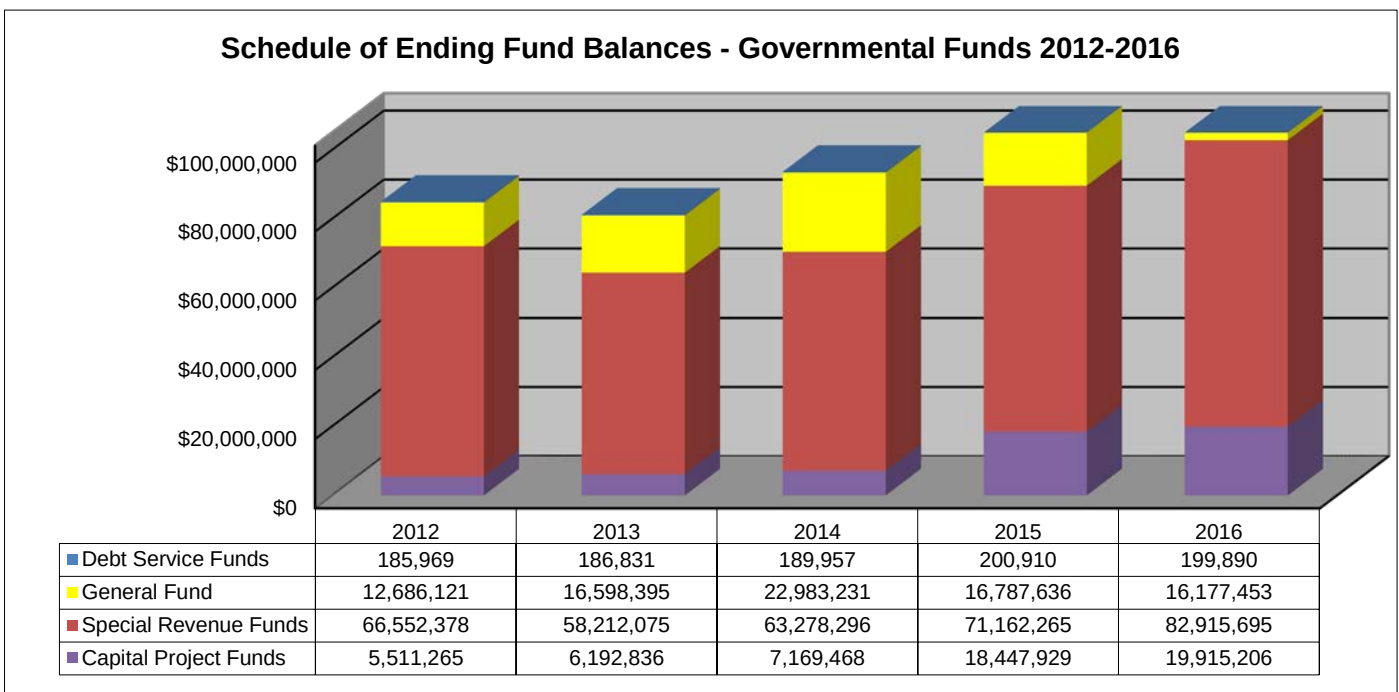
6. Financial Analysis of the City's Funds

As mentioned earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds: The focus of the City's governmental fund statements is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the City's financing requirements. In particular, unrestricted fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of 2016, the City's governmental funds reported combined ending fund balances of \$119,208,244, a 11.8% increase from the 2015 year end combined fund balances of \$106,598,740.

The graph below provides a view of the City's ending governmental fund balances by fund type.



The General Fund ended 2016 with a fund balance of \$16,177,453, a decrease of \$610,183 from the 2015 fund balance of \$16,787,636. In 2015 property taxes were recorded in the General Fund then transferred to the Asset Management Plan Fund, then in 2016, all property taxes were allocated directly to the Asset Management Plan Fund to fund capital projects. This reallocation of property taxes accounted for a large portion of the decrease of \$8,230,364 in transfers out of the General Fund.

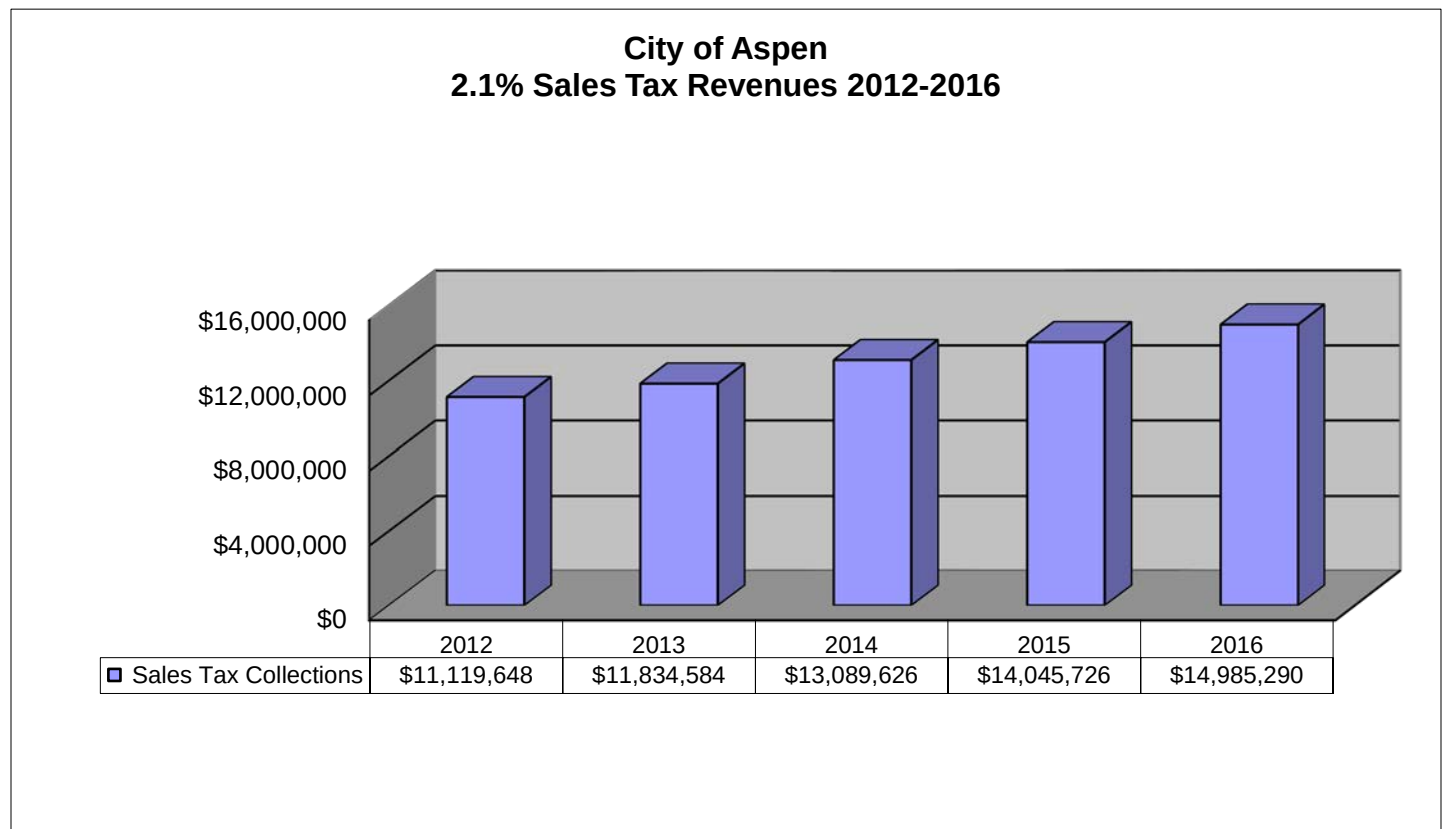
The Wheeler Fund ended 2016 with a fund balance of \$28,975,550, a decrease of \$199,254 from the beginning of the year. The change in fund balance was due to normal fund activities and was minimal for 2016.

The Affordable Housing Fund ended the year with a fund balance of \$29,381,613, an increase of \$8,114,218. This large increase in fund balance is from actual expenses coming in significantly lower than budget. This difference was caused by the timing of funds needed for the Aspen Country Inn remodel and the timing of the construction of Burlingame Phase II new construction of new single family homes; both will occur in future years.

The Parks and Open Space Fund ended 2016 with a fund balance of \$6,957,286, experiencing an increase of \$98,189 from the 2015 fund balance of \$6,859,097. The change in fund balance was due to normal fund activities and was minimal for 2016.

The Transportation Fund ended 2016 with a fund balance of \$5,419,475, an increase of \$47,729 over the 2015 ending fund balance of \$5,371,746. Revenues and expenditures remained steady in 2016 over 2015. In 2016 transfers from the Parking Fund were suspended for the construction of the Galena Plaza, and lodging taxes were directly received into the Transportation Fund which accounted for the small increase in the fund balance.

The City's primary funding source for non-General Fund governmental activities is it's 2.1% local sales tax. The next chart represents total City sales tax collections over the last five years.



From 2012 through 2016 the City's sales tax collections increased an average of 8.89% per year.

The City's local sales tax rate of 2.1% provides for the following services (effective year) and activities:

Parks and Open Space Acquisition and Development (1970):	1.00%
Parks and Open Space Acquisition and Development (2001):	0.50%
Affordable Housing Development & Daycare (1990):	0.45%
Transportation City Route Operations, Capital Replacement, & Improvement (2009):	0.15%
Total City Sales Tax Rate:	<u>2.10%</u>

The City is a conduit for collecting a 0.30% sales tax solely for educational purposes for the benefit of the Aspen School District No.1(RE). Education sales tax collections were \$2,145,825 in 2016. Voters voted in 2016 to extend this tax through 2021.

Annual revenue from the City's local sales tax increased 6.7% in 2016 in comparison to 2015, an indication of a healthy local retail economy. Additionally, the City receives a portion of a County-wide sales tax. This tax is collected by Pitkin County and is distributed to entities within the County on the basis of an intergovernmental agreement. Funds from this tax source are used to support General Fund operations of the City. In 2016, this revenue source generated \$8,929,958, an increase of 4.7% over 2015 collections of \$8,529,591 (see page C7).

Proprietary (Enterprise) Funds: The City's proprietary fund statements provide the same type of information found in the government-wide financial statements.

The City's proprietary funds ended 2016 with a net position of \$60,446,536, an increase of \$2,780,027 or 4.8% in proprietary net position from the January 1, 2016 total of \$57,666,509. Please see the Statement of Revenues, Expenses, and Changes in Net Position on page C13 of this document.

The City's largest proprietary operation, the Water Fund, ended 2016 with a \$20,125,911 net position, an increase of \$455,435 or 2.3% in net position compared to the prior year balance of \$19,670,476. The increase was caused by increased water service revenue from a 6% increase in variable water rates and increased tap fees collected.

The Electric Fund ended 2016 with a net position of \$14,771,384, a decrease of \$438,582 or -2.9% from 2015's net position of \$15,209,966. This decrease can be attributed to an increase in general operating expenses exceeding the increase in electric fee revenue.

The Truscott Place Housing Fund ended 2016 with a net position of \$8,473,470, a \$22,419 decrease from the beginning net position of \$8,495,889. The change in fund balance was due to normal fund activities and was minimal for 2016.

Internal Service Funds: The City of Aspen operates three internal service funds: Health Insurance Fund, Employee Housing Fund, and Information Technology Fund.

The Health Insurance Fund accounts for self-funding health insurance benefits for employees. This fund ended 2016 with a net position of \$2,641,287, an increase of \$40,189 from January 1, 2016. This increase was attributed to both enrollment and claims came in under budget.

The Employee Housing Fund accounts for sales transactions of City-owned housing units to City employees, as well as City owned employee rental housing. The fund ended 2016 with a net position of \$6,221,415, an increase of \$1,094,333 or 21.3%. This large increase was caused by incoming transfers from department savings across the City to fund the purchase of two affordable employee housing units to be used for City employees transitioning to Aspen and recruiting purposes.

The Information Technology Fund accounts for the costs incurred by individual departments and funds as serviced by the City's IT Department. For 2016, the net position decreased by \$156,268, or 11%, from \$1,420,547 to \$1,264,279. The IT Department funded a couple of special projects out of excess Fund balance in 2016.

General Government Budgetary Highlights: At the end of 2016, differences between the originally budgeted expenses and the final amended budgeted expenses city-wide were \$35,460,160 or 27.4% of the original budget. This difference was primarily the result of encumbered purchase orders in 2015 for capital expenses that were not fulfilled in that year and was carried forward into the fiscal year 2016. This budget carryforward is an annual City process. In addition, the City allows for the carryforward of departmental operating budget savings in governmental funds. Fifty percent (50%) of these savings is appropriated in the subsequent fiscal year in the first budget amendment.

General Fund expenditures of \$25,792,600 were less than the amended budget of \$29,390,610 by \$3,598,010. 2016 General Fund revenues totaled \$23,796,765, or \$1,499,295 higher than projected. The favorable expenditure budget to actual variance is largely due to the accumulation of carryforward savings available in the budget, but not necessarily needed for operations. Carryforward savings are intended to cover unexpected cost overruns. The City Manager must approve uses of carryforward savings over \$10,000. Significant revenue budget variances include sales tax collections exceeding budget by 3.4% and license and permit collections exceeding budget by 26.4%. The Building and Planning Departments were the primary contributors to the increase in charges for services, with increased development activity in 2016.

Capital Assets: Significant capital projects included in fixed asset additions in 2016 include the Oklahoma Flats Trail regrading, Cozy Point Barn restoration, second floor Wheeler Opera House remodel, Mill Street corridor improvements, and street overlay. The City's capitalization policy pertains to assets with a purchase value of \$5,000 or greater. Assets of lesser value or a life expectancy of fewer than twelve months are treated as operational expenses.

Additional information, as well as a detailed classification of the City's net capital assets, can be found in the Notes to the Financial Statements on pages D20 and D21 of this report (Note IV, F).

Long-term Debt: As of December 31, 2016, the City's long-term liabilities totaled \$60,698,499, a increase of \$4,876,449 from the prior year. This change can be account for by the new notes with Aspen County Inn LLLP in the amount of \$9,500,914 along with the \$3.5 million of principal payments made in 2016. Additional information, as well as a detailed classification of the City's total long-term liabilities, can be found in the Notes to the Financial Statements on pages D21 through D31 of this report (Note IV, G - N).

Budgetary Fund Balance Condition and Forecast: The City uses a combination of internal and external financial and economic variables to forecast the future financial condition of all of its budgeted funds. These forecasts are tailored to the specific activities as well as the financial and economic drivers of each fund. Forecasts are based on their major revenue sources, the composition of expense types, and exposure to economic and financial trends. These trends are updated annually and evaluated as an important component of the City's annual budget development process. These long range financial plans are used to assist the City Council in making current year budgetary decisions in light of the long-term financial impact of those decisions on each fund's ability to sustain the required level of financial support for governmental and business-type services of the City of Aspen. Updated long range financial plans for all budgeted funds are published annually as part of the City's Adopted Operating and Capital Budget document.

At the current time, most of the City's budgeted funds are projected to remain stable over the coming ten-year budget planning horizon with sufficient reserves. The following paragraphs discuss the exceptions:

The Transportation Fund is expected to maintain a stable financial condition, but is susceptible to the real estate development market, with construction use tax as its primary source of funding. This market is volatile, making use tax revenue difficult to predict.

The Marolt Ranch Housing Fund accounts for the seasonal affordable housing complex operations. In years of economic downturn, Marolt has not reached full occupancy. Rent revenue may not be sufficient to cover the required maintenance and improvements needed. The City has taken action to promote full occupancy and successfully attained 100% occupancy during the 2016-2017 winter season.

The Golf Course Fund is expected to remain stable, but is particularly susceptible to economic downturns and relies primarily upon discretionary funding sources to cover annual operating costs. While the local economy has suffered some setbacks in years past, the City has not experienced a decline in demand for golf. Should the local demand change, the Golf Course Fund may be required to use fund balances to cover annual operating costs and debt service payments.

More complete information on the projected future financial health of all budgeted funds can be found within the City of Aspen 2017 Adopted Operating and Capital budget document.

Requests for Information: This financial report is designed to provide a general overview of the City's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Aspen, City Finance Manager, 130 South Galena Street, Aspen, CO 81611, or email aaren.riley@cityofaspen.com.

BASIC FINANCIAL STATEMENTS

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City of Aspen, Colorado
Statement of Net Position
December 31, 2016

	Primary Government			Component Unit
	Governmental	Business-type		Burlingame
	Activities	Activities	Total	Housing, Inc.
				September 30, 2016
Assets:				
Cash and investments	\$ 129,226,493	\$ 17,389,609	\$ 146,616,102	\$ 118,851
Restricted cash	-	-	-	3,303,192
Receivables (net of allowance for uncollectibles)	24,701,956	2,437,437	27,139,393	30,522
Internal balances	117,510	(117,510)	-	-
Prepaid expenses	198,789	78	198,867	-
Inventories	209,665	72,680	282,345	-
Capital assets not being depreciated	87,892,672	15,267,032	103,159,704	615,000
Capital assets net of accumulated depreciation	88,664,974	47,691,087	136,356,061	5,253,967
Total Assets	331,012,059	82,740,413	413,752,472	9,321,532
Deferred Outflows of Resources:				
Deferred loss on refunding	1,592,070	244,953	1,837,023	364,325
Total Deferred Outflows of Resources	1,592,070	244,953	1,837,023	364,325
Liabilities:				
Accounts payable	4,197,623	3,486,457	7,684,080	37,653
Accrued liabilities	440,102	323,758	763,860	-
Accrued interest	291,654	168,874	460,528	70,542
Unearned revenue	4,370,095	792,650	5,162,745	34,778
Deposits	121,590	-	121,590	115,680
Noncurrent liabilities:				
Due within one year	4,530,906	1,623,665	6,154,571	370,000
Due in more than one year	38,400,502	16,143,426	54,543,928	9,148,133
Total Liabilities	52,352,472	22,538,830	74,891,302	9,776,786
Deferred Inflows of Resources:				
Property taxes assessed but not collectible until 2017	7,751,633	-	7,751,633	-
Total Deferred Inflows of Resources	7,751,633	-	7,751,633	-
Net Position:				
Net investment in capital assets	140,718,214	43,934,920	184,653,134	-
Restricted for:				
Constitutionally required emergency reserve	2,382,946	-	2,382,946	-
Community enhancement	174,887	-	174,887	-
Unrestricted	129,223,977	16,511,616	145,735,593	(90,929)
Total Net Position	\$ 272,500,024	\$ 60,446,536	\$ 332,946,560	\$ (90,929)

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

City of Aspen, Colorado
Statement of Activities
For the Year Ended December 31, 2016

						Net (Expense) Revenue and Changes in Net Position			
						Primary Government			Component Unit
						Governmental	Business-type		Burlingame
Functions/Programs:	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Activities	Activities	Total	Housing, Inc. September 30, 2016
Governmental Activities:									
General government	\$ 22,282,013	\$ (2,277,000)	\$ 12,625,774	\$ 3,493,830	\$ -	(3,885,409)	\$ -	\$ (3,885,409)	
Public safety	5,429,850	-	206,789	12,946	-	(5,210,115)	-	(5,210,115)	
Public works	6,549,835	200,000	943,948	703,542	-	(5,102,345)	-	(5,102,345)	
Public health and welfare	6,875,477	704,000	2,497,002	107,103	-	(4,975,372)	-	(4,975,372)	
Culture and recreation	18,292,654	1,373,000	5,330,212	72,755	147,832	(14,114,855)	-	(14,114,855)	
Interest on long-term debt	1,254,344	-	-	-	-	(1,254,344)	-	(1,254,344)	
Total Governmental Activities	60,684,173	-	21,603,725	4,390,176	147,832	(34,542,440)	-	(34,542,440)	
Business-type activities:									
Water	5,703,047		6,301,601	184,738	1,722,642	-	2,505,934	2,505,934	
Electric	7,582,477		8,029,034	159,912	-	-	606,469	606,469	
Parking	2,504,049		3,950,134	15,379	-	-	1,461,464	1,461,464	
Golf	1,540,865		1,691,573	8,210	-	-	158,918	158,918	
Affordable housing	2,784,265		2,774,087	-	980,834	-	970,656	970,656	
Total Business-type Activities	20,114,703		22,746,429	368,239	2,703,476	-	5,703,441	5,703,441	
Total	\$ 80,798,876		\$ 44,350,154	\$ 4,758,415	\$ 2,851,308	(34,542,440)	5,703,441	(28,838,999)	
Component Unit:									
Burlingame Housing, Inc.	\$ 1,150,317		\$ 1,304,656						\$ 154,339
General Revenues:									
Taxes:									
Property taxes						7,337,156	-	7,337,156	-
Specific ownership taxes						245,467	-	245,467	-
Sales and use taxes						26,997,832	-	26,997,832	-
Franchise and business taxes						1,417,668	-	1,417,668	-
Real estate transfer tax						9,635,514	-	9,635,514	-
Lodging tax						3,514,720	-	3,514,720	-
Unrestricted investment earnings						1,591,123	107,901	1,699,024	43,868
Grants and contributions not restricted to specific programs						184,449	-	184,449	-
Gain on disposition of assets						19,283	808	20,091	-
Transfers						3,032,123	(3,032,123)	-	-
Total General Revenues and Transfers						53,975,335	(2,923,414)	51,051,921	43,868
Change in Net Position						19,432,895	2,780,027	22,212,922	198,207
Net Position - Beginning						253,067,129	57,666,509	310,733,638	(289,136)
Net Position - Ending						272,500,024	\$ 60,446,536	\$ 332,946,560	\$ (90,929)

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

**City of Aspen, Colorado
Balance Sheet
Governmental Funds
December 31, 2016**

	Special Revenue					Capital Projects		
	General Fund	Wheeler Transfer Tax Fund	Affordable Housing Fund	Parks and Open Space Fund	Transportation Fund	Asset Management Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
Assets:								
Cash and investments	\$ 15,155,978	\$ 29,204,399	\$ 29,267,010	\$ 5,139,174	\$ 9,560,542	\$ 19,888,867	\$ 12,100,109	\$ 120,316,079
Property tax receivable	-	-	-	-	-	6,881,201	870,432	7,751,633
Notes and accounts receivable, net of allowance for uncollectibles	2,194,057	57,223	253,806	1,917,250	352,589	855,374	1,072,358	6,702,657
Prepaid items	-	197,255	-	-	1,534	-	-	198,789
Inventories	30,431	-	-	16,650	-	-	-	47,081
Advances to other funds	-	-	-	117,510	-	-	-	117,510
Total Assets	17,380,466	29,458,877	29,520,816	7,190,584	9,914,665	27,625,442	14,042,899	135,133,749
Liabilities, Deferred Inflows of Resources and Fund Balance:								
Liabilities:								
Accounts payable	642,393	354,215	54,010	173,960	521,661	722,983	772,863	3,242,085
Accrued liabilities	254,602	15,632	9,475	34,338	6,509	106,052	13,494	440,102
Unearned reveune	292,544	85,531	-	25,000	3,967,020	-	-	4,370,095
Deposits	13,474	27,949	75,718	-	-	-	4,449	121,590
Total Liabilities	1,203,013	483,327	139,203	233,298	4,495,190	829,035	790,806	8,173,872
Deferred Inflows of Resources:								
Property taxes assessed but not collectible until 2017	-	-	-	-	-	6,881,201	870,432	7,751,633
Total Deferred Inflows of Resources	-	-	-	-	-	6,881,201	870,432	7,751,633
Fund Balance:								
Nonspendable	30,431	197,255	-	134,160	1,534	-	-	363,380
Restricted	2,557,833	-	-	-	-	-	-	2,557,833
Committed	7,551,402	1,192,889	124,891	2,025,257	370,855	-	748,698	12,013,992
Assigned	-	27,585,406	29,256,722	4,797,869	5,047,086	19,915,206	11,632,963	98,235,252
Unassigned	6,037,787	-	-	-	-	-	-	6,037,787
Total Fund Balance	16,177,453	28,975,550	29,381,613	6,957,286	5,419,475	19,915,206	12,381,661	119,208,244
Total Liabilities, Deferred Inflows of Resources and Fund Balance	\$ 17,380,466	\$ 29,458,877	\$ 29,520,816	\$ 7,190,584	\$ 9,914,665	\$ 27,625,442	\$ 14,042,899	\$ 135,133,749

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

City of Aspen, Colorado
Reconciliation of the Governmental Fund Balance Sheet to the Statement of Net Position
December 31, 2016

Governmental Funds Total Fund Balance	\$ 119,208,244
<i>Add:</i>	
Capital assets, net of depreciation, are used in governmental activities and are not financial resources and, therefore, are not reported in the governmental funds.	176,557,646
Internal service funds are used by the City to charge the costs of the IT Department and the costs of employees' health insurance to the individual funds and to account for City owned housing sales and costs for sale or rent to City employees. The assets and liabilities of the internal service funds are included with governmental activities.	8,356,895
Long-term receivables are not available for current year expenditures and, therefore, are not reported in the funds. These are amounts that the City is owed but will not collect soon enough to pay for current year expenditures.	10,008,231
<i>Less:</i>	
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of bonded debt payable.	(35,331,834)
Deferred amounts on refundings and bond premiums or discounts are reflected as current charges in the governmental fund financial statements. On the Statement of Activities and the Statement of Net Position, these costs are capitalized and amortized over the life of the bond issues. These amounts consist of unamortized deferred refunding losses of \$1,592,070 less unamortized bond premiums of \$2,099,666.	(507,596)
Long-term liabilities, including compensated absences and retirement, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of compensated absences and retirement not currently payable.	(5,499,908)
Interest payable on debt is not recorded on the fund statements but rather recognized as an expenditure when due. This is the accrued interest on bonded debt that has been incurred but not yet due.	(291,654)
Governmental Activities Net Position	<u><u>\$ 272,500,024</u></u>

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

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

	General Fund	Special Revenue				Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
		Wheeler Transfer Tax Fund	Affordable Housing Fund	Parks and Open Space Fund	Transportation Fund	Asset Management Plan Fund		
Revenues:								
Taxes	\$ 10,592,745	\$ 3,342,440	\$ 7,742,364	\$ 10,732,407	\$ 2,846,878	\$ 6,513,679	\$ 7,377,844	\$ 49,148,357
Licenses and permits	4,551,133	-	-	636,844	-	36,000	1,742,239	6,966,216
Intergovernmental	458,609	-	-	130,770	-	75,000	41,709	706,088
Charges for services	7,088,448	701,928	-	655,929	45,279	-	-	8,491,584
Fines	51,899	-	-	-	-	-	-	51,899
Development fees	-	-	1,499,609	-	-	-	-	1,499,609
Refund of expenditures	316,849	84,605	41,735	417,795	229,959	855,374	68,879	2,015,196
Investment earnings	117,809	211,797	155,582	57,350	60,979	147,826	65,878	817,221
Miscellaneous	619,273	226,001	645,581	93,131	55,196	52,598	784,678	2,476,458
Total Revenues	23,796,765	4,566,771	10,084,871	12,724,226	3,238,291	7,680,477	10,081,227	72,172,628
Expenditures:								
General government	10,866,998	-	-	-	2,661,332	2,491,785	2,641,200	18,661,315
Public safety	5,036,266	-	-	-	-	185,346	-	5,221,612
Public works	3,625,645	-	-	23,432	-	682,761	901,413	5,233,251
Public health and welfare	620,304	-	1,169,609	302,650	-	-	4,728,962	6,821,525
Culture and recreation	5,594,461	2,941,374	-	6,003,925	-	430,556	-	14,970,316
Debt service:								
Principal retirement	36,877	-	-	-	-	-	2,251,550	2,288,427
Interest	12,049	-	-	-	-	-	1,384,134	1,396,183
Capital Outlay:								
General government	-	-	-	-	119,239	4,433,250	-	4,552,489
Public works	-	-	-	-	-	2,235,991	333,691	2,569,682
Culture and recreation	-	1,330,804	-	1,529,977	-	262,346	-	3,123,127
Total Expenditures	25,792,600	4,272,178	1,169,609	7,859,984	2,780,571	10,722,035	12,240,950	64,837,927
Excess (Deficiency) of Revenues Over Expenditures	(1,995,835)	294,593	8,915,262	4,864,242	457,720	(3,041,558)	(2,159,723)	7,334,701
Other Financing Sources (Uses):								
Contributions	-	-	-	-	-	-	3,493,782	3,493,782
Proceeds from sale of assets	3,500	-	-	-	-	15,778	-	19,278
Transfers in	5,791,208	4,303	-	361,827	72,540	4,584,910	3,055,600	13,870,388
Transfers out	(4,409,056)	(498,150)	(801,044)	(5,127,880)	(482,531)	(91,853)	(698,131)	(12,108,645)
Total Other Financing Sources (Uses)	1,385,652	(493,847)	(801,044)	(4,766,053)	(409,991)	4,508,835	5,851,251	5,274,803
Net Change in Fund Balances	(610,183)	(199,254)	8,114,218	98,189	47,729	1,467,277	3,691,528	12,609,504
Fund Balances - Beginning	16,787,636	29,174,804	21,267,395	6,859,097	5,371,746	18,447,929	8,690,133	106,598,740
Fund Balances - Ending	\$ 16,177,453	\$ 28,975,550	\$ 29,381,613	\$ 6,957,286	\$ 5,419,475	\$ 19,915,206	\$ 12,381,661	\$ 119,208,244

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

City of Aspen, Colorado
Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended December 31, 2016

Net Change in Fund Balances - Governmental Funds	12,609,504
<i>Add:</i>	
Long-term assets, including accrued interest, are not receivable in the current period and therefore are not reported in the funds. This is the change in the amount of long-term interest receivable not currently due.	712,446
The repayment of debt is a use of current available resources but has no effect on net position because although the City has less current available resources it also has less debt. This is the amount of principal payments on bonded debt during the year.	2,288,427
Interest payable on debt is not recorded in the fund statements but rather recognized as an expenditure when due. This is the change in accrued interest on bonded debt that has been incurred but not yet due.	141,839
Internal service costs are used by the City to charge employee health insurance and information technology services to the individual funds, and to account for City owned housing sales and costs for sale or rent to City employees. This is the increase in the Internal Service Funds' net position which is charged back to governmental activities on the Statement of Activities.	978,254
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 depreciation exceeds capital outlays in the current period.	3,504,656
<i>Less:</i>	
Long-term liabilities, including compensated absences and retirement, are not due and payable in the current period and therefore are not reported in the funds. This is the change in the amount of compensated absences and retirement benefits not currently payable.	(303,329)
Long-term capital assets which are not fully depreciated are routinely retired. Because no sale transaction has occurred, no current resources are recorded which offset the book value of the assets retired. This is the total book value of capital assets retired during the year that were not fully depreciated.	(498,902)
Change in Net Position of Governmental Activities	<u><u>19,432,895</u></u>

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

City of Aspen, Colorado
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	\$ 8,635,000	\$ 8,635,000	\$ 8,929,958	\$ 294,958	\$ 8,529,591
General property tax	1,000	1,000	-	(1,000)	2,236,405
Specific ownership tax	237,000	237,000	245,119	8,119	253,219
Franchise and business tax	1,418,000	1,418,000	1,417,668	(332)	1,410,495
Licenses and permits	3,599,910	3,599,910	4,551,133	951,223	3,831,168
Intergovernmental:					
State shared revenues	322,500	328,520	328,481	(39)	330,308
Other governmental units	109,100	109,100	130,128	21,028	123,944
Charges for services:					
General government	4,100,990	4,100,990	3,979,257	(121,733)	4,626,749
Public safety	29,000	29,000	32,773	3,773	32,288
Public works	426,960	426,960	493,098	66,138	565,415
Public health and welfare	60,500	60,500	76,672	16,172	70,851
Culture and recreation	2,410,130	2,410,130	2,506,648	96,518	2,285,122
Fines:					
Court fines	20,750	20,750	30,501	9,751	36,762
Other fines	20,560	20,560	21,398	838	20,640
Refund of expenditures	230,840	269,640	316,849	47,209	206,551
Investment earnings	119,000	119,000	117,809	(1,191)	164,787
Miscellaneous:					
Rents and royalties	260,700	260,700	237,315	(23,385)	303,527
Contributions	181,900	181,900	281,094	99,194	103,488
Other	68,810	68,810	100,864	32,054	80,524
Total Revenues	<u>22,252,650</u>	<u>22,297,470</u>	<u>23,796,765</u>	<u>1,499,295</u>	<u>25,211,834</u>
Expenditures:					
Current:					
General government	11,226,320	12,306,600	10,866,998	1,439,602	10,234,817
Public safety	5,153,590	5,516,450	5,036,266	480,184	4,877,295
Public works	3,701,990	4,375,910	3,625,645	750,265	3,361,257
Public health and welfare	648,620	742,480	620,304	122,176	541,544
Culture and recreation	5,768,750	6,400,230	5,594,461	805,769	5,317,611
Debt service:					
Principal	36,880	36,880	36,877	3	35,144
Interest	12,060	12,060	12,049	11	13,782
Capital outlay:					
General government	-	-	-	-	3,812
Public safety	-	-	-	-	9,697
Culture and recreation	-	-	-	-	13,740
Total Expenditures	<u>26,548,210</u>	<u>29,390,610</u>	<u>25,792,600</u>	<u>3,598,010</u>	<u>24,408,699</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(4,295,560)</u>	<u>(7,093,140)</u>	<u>(1,995,835)</u>	<u>5,097,305</u>	<u>803,135</u>
Other Financing Sources (Uses):					
Proceeds from sale of assets	-	-	3,500	3,500	6,950
Transfers in	5,636,800	5,791,210	5,791,208	(2)	5,633,740
Transfers out	(3,663,100)	(4,757,340)	(4,409,056)	348,284	(12,639,420)
Total Other Financing Sources	<u>1,973,700</u>	<u>1,033,870</u>	<u>1,385,652</u>	<u>351,782</u>	<u>(6,998,730)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$ (2,321,860)</u>	<u>\$ (6,059,270)</u>	<u>(610,183)</u>	<u>\$ 5,449,087</u>	<u>(6,195,595)</u>
Fund Balances - Beginning			<u>16,787,636</u>		<u>22,983,231</u>
Fund Balances - Ending			<u>\$ 16,177,453</u>		<u>\$ 16,787,636</u>

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

City of Aspen, Colorado
Wheeler Transfer Tax Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Real estate transfer tax	\$ 4,289,000	\$ 4,289,000	\$ 3,342,440	\$ (946,560)	\$ 5,392,273
Charges for services:					
Box office revenues	699,500	699,500	701,928	2,428	528,218
Refund of expenditures	63,200	63,200	84,605	21,405	49,733
Investment earnings	268,000	268,000	211,797	(56,203)	239,675
Miscellaneous:					
Rents and royalties	208,500	208,500	209,659	1,159	194,391
Contributions	13,000	13,000	12,500	(500)	12,230
Other	-	-	3,842	3,842	9,681
Total Revenues	<u>5,541,200</u>	<u>5,541,200</u>	<u>4,566,771</u>	<u>(974,429)</u>	<u>6,426,201</u>
Expenditures:					
Current:					
Culture and recreation	2,986,890	3,240,749	2,941,374	299,375	2,598,473
Capital outlay:					
Culture and recreation	99,640	1,344,641	1,330,804	13,837	3,528,201
Total Expenditures	<u>3,086,530</u>	<u>4,585,390</u>	<u>4,272,178</u>	<u>313,212</u>	<u>6,126,674</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,454,670</u>	<u>955,810</u>	<u>294,593</u>	<u>(661,217)</u>	<u>299,527</u>
Other Financing Sources (Uses):					
Transfers in	88,500	88,500	88,500	-	88,500
Transfers out	(421,000)	(498,150)	(498,150)	-	(423,080)
Total Other Financing Uses	<u>(332,500)</u>	<u>(409,650)</u>	<u>(409,650)</u>	<u>-</u>	<u>(334,580)</u>
Excess (Deficiency) of Revenues and Sources Over Expenditures and Other Financing (Uses) - Budget Basis	<u>\$ 2,122,170</u>	<u>\$ 546,160</u>	<u>(115,057)</u>	<u>\$ (661,217)</u>	<u>(35,053)</u>
Reconciliation to GAAP Basis:					
Interfund advance principal payments			(84,197)		(80,112)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - GAAP Basis			(199,254)		(115,165)
Fund Balances - Beginning			<u>29,174,804</u>		<u>29,289,969</u>
Fund Balances - Ending			<u>\$ 28,975,550</u>		<u>\$ 29,174,804</u>

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

City of Aspen, Colorado
Affordable Housing Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	\$ 1,383,600	\$ 1,383,600	\$ 1,449,290	\$ 65,690	\$ 1,358,733
Real estate transfer tax	8,000,000	8,000,000	6,293,074	(1,706,926)	10,020,525
Charges for services:					
Public health and welfare	-	200,000	-	(200,000)	7,330,883
Development fees	250,000	250,000	1,499,609	1,249,609	975,174
Refund of expenditures	2,880	1,696,940	41,735	(1,655,205)	8,607
Investment earnings	148,000	148,000	155,582	7,582	105,490
Miscellaneous:					
Rents and royalties	559,410	559,410	645,581	86,171	578,846
Total Revenues	<u>10,343,890</u>	<u>12,237,950</u>	<u>10,084,871</u>	<u>(2,153,079)</u>	<u>20,378,258</u>
Expenditures:					
Current:					
Public health and welfare	1,026,170	8,526,100	1,169,609	7,356,491	4,072,398
Capital:					
Public health and welfare	-	-	-	-	88,473
Total Expenditures	<u>1,026,170</u>	<u>8,526,100</u>	<u>1,169,609</u>	<u>7,356,491</u>	<u>4,160,871</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>9,317,720</u>	<u>3,711,850</u>	<u>8,915,262</u>	<u>5,203,412</u>	<u>16,217,387</u>
Other Financing Sources (Uses):					
Transfers in	-	-	-	-	140,000
Transfers out	(1,073,100)	(1,077,160)	(801,044)	276,116	(1,913,700)
Total Other Financing Uses	<u>(1,073,100)</u>	<u>(1,077,160)</u>	<u>(801,044)</u>	<u>276,116</u>	<u>(1,773,700)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - Budget Basis	<u>\$ 8,244,620</u>	<u>\$ 2,634,690</u>	8,114,218	<u>\$ 5,479,528</u>	14,443,687
Reconciliation to GAAP Basis:					
Cost of housing units sold			-		(7,138,990)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - GAAP Basis			8,114,218		7,304,697
Fund Balances - Beginning			<u>21,267,395</u>		<u>13,962,698</u>
Fund Balances - Ending			<u>\$ 29,381,613</u>		<u>\$ 21,267,395</u>

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

City of Aspen, Colorado
Parks and Open Space Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales tax	\$ 10,243,000	\$ 10,243,000	\$ 10,732,407	\$ 489,407	\$ 10,062,084
Licenses and permits	216,500	216,500	636,844	420,344	300,139
Intergovernmental:					
State shared revenue	69,000	266,700	130,770	(135,930)	69,036
Charges for services:					
Culture and recreation	206,600	206,600	655,929	449,329	204,573
Refund of expenditures	333,600	458,600	417,795	(40,805)	377,721
Investment earnings	46,000	46,000	57,350	11,350	54,104
Miscellaneous:					
Rents and royalties	135,000	135,000	93,131	(41,869)	93,492
Contributions	5,000	5,000	-	(5,000)	6,667
Other	-	-	-	-	124
Total Revenues	<u>11,254,700</u>	<u>11,577,400</u>	<u>12,724,226</u>	<u>1,146,826</u>	<u>11,167,940</u>
Expenditures:					
Current:					
Public works	20,000	25,680	23,432	2,248	107,224
Public health and welfare	293,920	293,920	302,650	(8,730)	286,576
Culture and recreation	7,110,778	7,966,562	6,003,925	1,962,637	5,365,271
Capital outlay:					
Culture and recreation	1,018,482	1,749,888	1,529,977	219,911	774,425
Total Expenditures	<u>8,443,180</u>	<u>10,036,050</u>	<u>7,859,984</u>	<u>2,176,066</u>	<u>6,533,496</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,811,520</u>	<u>1,541,350</u>	<u>4,864,242</u>	<u>3,322,892</u>	<u>4,634,444</u>
Other Financing Sources (Uses):					
Transfers in	380,100	380,100	369,903	(10,197)	383,320
Transfers out	(4,642,250)	(5,192,130)	(5,127,880)	64,250	(5,670,300)
Total Other Financing Uses	<u>(4,262,150)</u>	<u>(4,812,030)</u>	<u>(4,757,977)</u>	<u>54,053</u>	<u>(5,286,980)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)- Budget Basis	<u>\$ (1,450,630)</u>	<u>\$ (3,270,680)</u>	106,265	<u>\$ 3,376,945</u>	(652,536)
Reconciliation to GAAP Basis:					
Interfund advance principal payments			(8,076)		(7,766)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - GAAP Basis			98,189		(660,302)
Fund Balances - Beginning			<u>6,859,097</u>		<u>7,519,399</u>
Fund Balances - Ending			<u>\$ 6,957,286</u>		<u>\$ 6,859,097</u>

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

City of Aspen, Colorado
Transportation Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales taxes	\$ 1,830,500	\$ 1,830,500	\$ 1,950,310	\$ 119,810	\$ 1,006,214
Use taxes	1,195,000	1,195,000	896,568	(298,432)	670,358
Intergovernmental:					
State shared revenues	720,000	720,000	-	(720,000)	170,000
Charges for services:					
General government	46,000	46,000	45,279	(721)	42,529
Refund of expenditures	319,000	319,000	229,959	(89,041)	286,902
Investment earnings	48,000	48,000	60,979	12,979	57,235
Miscellaneous:					
Payments in lieu of development fees	-	-	55,170	55,170	90,000
Other revenue	-	-	26	26	2,000
Total Revenues	<u>4,158,500</u>	<u>4,158,500</u>	<u>3,238,291</u>	<u>(920,209)</u>	<u>2,325,238</u>
Expenditures:					
Current:					
General government	3,909,340	4,474,780	2,661,332	1,813,448	2,005,733
Capital outlay:					
General government	-	540,650	119,239	421,411	210,985
Total Expenditures	<u>3,909,340</u>	<u>5,015,430</u>	<u>2,780,571</u>	<u>2,234,859</u>	<u>2,216,718</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>249,160</u>	<u>(856,930)</u>	<u>457,720</u>	<u>1,314,650</u>	<u>108,520</u>
Other Financing Sources (Uses):					
Proceeds from sale of assets	14,000	14,000	-	(14,000)	-
Transfers in	51,050	72,540	72,540	-	1,259,330
Transfers out	(456,500)	(483,360)	(482,531)	829	(434,680)
Total Other Financing Sources (Uses)	<u>(391,450)</u>	<u>(396,820)</u>	<u>(409,991)</u>	<u>(13,171)</u>	<u>824,650</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$ (142,290)</u>	<u>\$ (1,253,750)</u>	<u>47,729</u>	<u>\$ 1,301,479</u>	<u>933,170</u>
Fund Balances - Beginning			<u>5,371,746</u>		<u>4,438,576</u>
Fund Balances - Ending			<u>\$ 5,419,475</u>		<u>\$ 5,371,746</u>

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

City of Aspen, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2016

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Water Fund	Electric Fund	Truscott Place Housing Fund	Nonmajor Proprietary Funds	Total	
Assets:						
Current Assets:						
Cash and investments	\$ 5,289,737	\$ 4,495,309	\$ 640,106	\$ 6,964,457	\$ 17,389,609	\$ 8,910,414
Accounts receivable, net of allowance for uncollectibles	493,037	1,364,269	327,674	252,457	2,437,437	239,435
Inventories	37,937	22,398	-	12,345	72,680	162,584
Prepaid Expenses	-	-	-	78	78	3,796
Total Current Assets	5,820,711	5,881,976	967,780	7,229,337	19,899,804	9,316,229
Noncurrent Assets:						
Capital Assets:						
Land and land rights	1,548,246	117,115	1,021,183	1,663,124	4,349,668	-
Construction in progress	1,260,339	-	-	9,657,025	10,917,364	-
Buildings	3,222,830	569,103	13,544,305	15,629,701	32,965,939	1,165,820
Infrastructure and improvements other than buildings	23,729,392	22,923,870	2,054,984	942,156	49,650,402	616,907
Machinery and equipment	4,769,303	1,932,370	150,168	4,291,494	11,143,335	1,422,859
Less: accumulated depreciation	(19,459,787)	(11,365,174)	(5,938,246)	(9,305,382)	(46,068,589)	(1,435,500)
Net Property, Plant, and Equipment	15,070,323	14,177,284	10,832,394	22,878,118	62,958,119	1,770,086
Total Noncurrent Assets	15,070,323	14,177,284	10,832,394	22,878,118	62,958,119	1,770,086
Total Assets	20,891,034	20,059,260	11,800,174	30,107,455	82,857,923	11,086,315
Deferred Outflows of Resources:						
Deferred loss on refunding	-	-	208,023	36,930	244,953	-
Total Deferred Outflows of Resources	-	-	208,023	36,930	244,953	-
Liabilities:						
Current liabilities:						
Accounts payable	288,079	570,121	50,925	2,577,332	3,486,457	638,248
Accrued liabilities	45,975	69,845	11,356	323,383	450,559	26,729
Customer deposits	77,666	133,084	196,680	251,090	658,520	1,300
Deferred revenue	-	-	17,091	117,039	134,130	-
Advances from other funds	-	-	-	117,510	117,510	-
Compensated absences - current	124,288	32,662	7,798	92,779	257,527	44,747
OPEB obligation - current	17,073	14,470	-	83,845	115,388	72,476
General obligation bonds - current	-	160,000	595,000	-	755,000	-
Revenue bonds - current	-	-	-	495,750	495,750	-
Total Current Liabilities	553,081	980,182	878,850	4,058,728	6,470,841	783,500
Noncurrent Liabilities:						
Compensated absences	186,432	48,993	11,697	139,169	386,291	67,120
OPEB obligation	25,610	21,705	-	125,767	173,082	108,714
Accrued interest	-	-	-	42,073	42,073	-
Notes Payable	-	-	-	8,500,914	8,500,914	-
General obligation bonds (net of unamortized premium)	-	4,236,996	2,644,180	-	6,881,176	-
Revenue bonds (net of unamortized premium)	-	-	-	201,963	201,963	-
Total Noncurrent Liabilities	212,042	4,307,694	2,655,877	9,009,886	16,185,499	175,834
Total Liabilities	765,123	5,287,876	3,534,727	13,068,614	22,656,340	959,334
Net Position:						
Net investment in capital assets	15,070,323	9,780,288	7,801,237	11,283,072	43,934,920	1,770,086
Unrestricted	5,055,588	4,991,096	672,233	5,792,699	16,511,616	8,356,895
Total Net Position	\$ 20,125,911	\$ 14,771,384	\$ 8,473,470	\$ 17,075,771	\$ 60,446,536	\$ 10,126,981

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

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

	Business-type Activities - Enterprise Funds					Governmental Activities Internal Service Funds
	Water Fund	Electric Fund	Truscott Place Housing Fund	Nonmajor Proprietary Funds	Total	
Operating Revenues:						
Charges for services:						
Water sales	\$ 5,670,538	\$ -	\$ -	\$ -	\$ 5,670,538	\$ -
Electric sales	-	8,029,034	-	-	8,029,034	-
Parking sales	-	-	-	3,284,079	3,284,079	-
Fines	-	-	-	568,446	568,446	-
Golf sales	-	-	-	1,643,988	1,643,988	-
Premium contributions	-	-	-	-	-	4,407,427
Sale of affordable housing units	-	-	-	-	-	92,502
Ditch assessment	-	-	-	76,366	76,366	-
Development review fees	547,602	-	-	-	547,602	-
Total charges for services	6,218,140	8,029,034	-	5,572,879	19,820,053	4,499,929
Miscellaneous:						
Intergovernmental	-	-	320,321	95,760	416,081	-
Rents and royalties	7,095	-	1,163,131	1,217,485	2,387,711	98,033
Refund of expenses	-	-	-	-	-	1,169,059
Claims reimbursement	-	-	-	-	-	534,996
Other revenues	184,738	159,912	52,071	94,102	490,823	43,019
Total miscellaneous	191,833	159,912	1,535,523	1,407,347	3,294,615	1,845,107
Total Operating Revenues	6,409,973	8,188,946	1,535,523	6,980,226	23,114,668	6,345,036
Operating Expenses:						
Personnel services	2,779,118	1,069,260	251,629	1,990,173	6,090,180	886,139
General operations	1,909,565	5,397,762	722,490	2,235,657	10,265,474	5,499,125
Cost of units sold	-	-	-	-	-	86,785
Asset management fees	-	-	-	3,000	3,000	-
Depreciation	974,450	915,800	593,992	750,872	3,235,114	227,731
Total Operating Expenses	5,663,133	7,382,822	1,568,111	4,979,702	19,593,768	6,699,780
Operating Income (Loss)	746,840	806,124	(32,588)	2,000,524	3,520,900	(354,744)
Non-Operating Revenues (Expenses):						
Investment earnings	21,333	35,639	10,831	40,098	107,901	62,618
Gain (loss) on disposition of assets	-	-	-	808	808	-
Debt issuance cost	-	-	-	(110,031)	(110,031)	-
Interest expense	-	(199,655)	(145,662)	(65,587)	(410,904)	-
Total Non-Operating Revenues (Expenses)	21,333	(164,016)	(134,831)	(134,712)	(412,226)	62,618
Income (Loss) Before Contributions and Transfers	768,173	642,108	(167,419)	1,865,812	3,108,674	(292,126)
Capital contributions	1,388,642	-	-	1,314,834	2,703,476	-
Transfers in	385,000	-	295,000	483,950	1,163,950	1,426,000
Transfers out	(2,086,380)	(1,080,690)	(150,000)	(879,003)	(4,196,073)	(155,620)
Change in Net Position	455,435	(438,582)	(22,419)	2,785,593	2,780,027	978,254
Net Position - Beginning	19,670,476	15,209,966	8,495,889	14,290,178	57,666,509	9,148,727
Net Position - Ending	\$ 20,125,911	\$ 14,771,384	\$ 8,473,470	\$ 17,075,771	\$ 60,446,536	\$ 10,126,981

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

City of Aspen, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2016

Business-type Activities - Enterprise Funds

	Water Fund	Electric Fund	Truscott Place Housing Fund	Nonmajor Proprietary Funds	Total	Governmental Activities Internal Service Funds
Cash Flows from Operating Activities:						
Cash received from customers and others	\$ 5,925,724	\$ 7,997,644	\$ 838,653	\$ 6,744,473	\$ 21,506,494	\$ 4,659,559
Other operating cash receipts	739,435	159,912	381,961	172,756	1,454,064	1,704,055
Cash payments to vendors for goods and services	(1,834,188)	(5,891,590)	(748,687)	(2,599,547)	(11,074,012)	(5,326,555)
Cash payments to employees for services	(2,721,431)	(1,063,962)	(248,119)	(1,086,029)	(5,119,541)	(872,457)
Net Cash Provided by Operating Activities:	2,109,540	1,202,004	223,808	3,231,653	6,767,005	164,602
Cash Flows from Non-Capital Financing Activities:						
Transfers from other funds	385,000	-	295,000	483,950	1,163,950	1,426,000
Transfers to other funds	(2,086,380)	(1,080,690)	(150,000)	(887,080)	(4,204,150)	(155,620)
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	(1,701,380)	(1,080,690)	145,000	(403,130)	(3,040,200)	1,270,380
Cash Flows from Capital and Related Financing Activities:						
Capital contributed by customers (tap fees)	1,388,642	-	-	-	1,388,642	-
Acquisition of capital assets	(226,712)	(419,542)	(333,601)	(5,875,068)	(6,854,923)	(880,470)
Principal payments	-	(155,000)	(575,000)	(528,450)	(1,258,450)	-
Interest paid on debt	-	(201,305)	(134,575)	(14,381)	(350,261)	-
Net Cash Provided (Used) by Capital and Related Financing Activities	1,161,930	(775,847)	(1,043,176)	(6,417,899)	(7,074,992)	(880,470)
Cash Flows from Investing Activities:						
Interest received - Unrestricted	21,333	35,639	10,831	8,848	76,651	62,618
Net Cash Provided by Investing Activities	21,333	35,639	10,831	8,848	76,651	62,618
Net Increase (Decrease) in Cash	1,591,423	(618,894)	(663,537)	750,714	1,059,706	617,130
Cash - Beginning of Year	3,698,314	5,114,203	1,303,643	6,213,743	16,329,903	8,293,284
Cash - End of Year	5,289,737	4,495,309	640,106	6,964,457	17,389,609	8,910,414
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating income (loss)	746,840	806,124	(32,588)	2,000,524	3,520,900	(354,744)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Depreciation	974,450	915,800	593,992	750,872	3,235,114	227,731
Changes in Assets and Liabilities:						
(Increase) decrease in accounts receivable	259,949	(46,080)	(322,071)	(195,771)	(303,973)	111,080
(Increase) decrease in prepaid expenses	-	-	-	-	-	(3,796)
(Increase) decrease in inventories	(37,937)	(22,398)	-	10,228	(50,107)	(6,411)
Increase (decrease) in prepaid expenses	-	-	-	(78)	(78)	-
Increase (decrease) in accounts payable	114,954	(450,111)	17,453	481,438	163,734	167,685
Increase (decrease) in accrued liabilities	56,047	(16,021)	(40,140)	54,895	54,781	23,057
Increase (decrease) in customer deposits	(4,763)	14,690	7,162	129,545	146,634	-
Net Cash Provided by Operating Activities:	\$ 2,109,540	\$ 1,202,004	\$ 223,808	\$ 3,231,653	\$ 6,767,005	\$ 164,602

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

City of Aspen, Colorado
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
December 31, 2016

	<u>Agency Funds</u>
Assets	
Cash and investments	<u>\$ 5,902,927</u>
Total Assets	<u><u>5,902,927</u></u>
Liabilities	
Due to others	<u>5,902,927</u>
Total Liabilities	<u><u>\$ 5,902,927</u></u>

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

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City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016

I. Summary of Significant Accounting Policies

The City of Aspen is a municipal corporation that was incorporated in 1879 under provisions of the Constitution of Colorado. On January 1, 1972, the City became a Colorado home rule city. The City operates under a council-manager form of government and is governed by a separately elected mayor and four-member council. The City provides the following services as authorized by its charter: public safety, public works, public health and welfare, culture and recreation, water and electric utilities, parking, golf, affordable housing, and general administrative services.

The City'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 more significant accounting policies established by GAAP used by the City are discussed below.

A. Reporting Entity

The reporting entity consists of: (a) the primary government (i.e., the City), and (b) organizations for which the City is financially accountable. The City is considered financially accountable for legally separate organizations if it is able to appoint a voting majority of an organization's governing body and is either able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the City. Consideration is also given to other organizations which are fiscally dependent; i.e., unable to adopt a budget, levy taxes, or issue debt without approval by the City. Organizations for which the nature and significance of their relationship with the City 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).

1. Blended Component Units - ACI Affordable 1 LLLP and Si Johnson Ditch Company, Inc.

Based on the above criteria, the City is financially accountable for ACI Affordable 1 LLLP and Si Johnson Ditch Company, Inc., which have been included in the financial reporting entity as blended component units. ACI Affordable 1 LLLP and Si Johnson Ditch Company, Inc. are entities legally separate from the City, and are presented as if they were part of the City's operations. The City is the general managing partner of ACI Affordable 1 LLLP and therefore, is financially responsible for its operations. The City is the majority shareholder in Si Johnson Ditch Company and therefore, is financially responsible for its operations. The audited financial statements of these entities are available at the City of Aspen Finance Department.

2. Discretely Presented Component Unit – Burlingame Housing, Inc.

Burlingame Housing, Inc. (the Corporation) is a non-profit corporation organized for the purpose of operation, maintenance, and development of affordable housing property within the City. The Corporation is governed by a Board of Directors consisting of five Directors. The City's Council elects four of the Directors and the Music Associates of Aspen elects one. The City is not accountable for the debt of the Corporation. However, upon the Corporation's repayment of all outstanding debt, title in the Burlingame Housing Project shall revert to the City, without demand of, further action by, or cost to the City.

Complete financial statements for Burlingame Housing, Inc. may be obtained from the City of Aspen Finance Department.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

A. Reporting Entity (continued)

3. Jointly Governed Organizations - Aspen-Pitkin County Housing Authority

The Aspen-Pitkin County Housing Authority (the Housing Authority) was formed in 1982 to manage 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 Aspen City Council and the Pitkin County Board of Commissioners each appoint three directors and one director is appointed jointly. The Housing Authority's board reports to the City and County boards, the City and County share operating costs equally, and the City and County significantly and equally influence the operations budget.

The City's proportionate share of net operating expenses (50%) is recorded in the City's financial statements in the Housing Department Fund and the County's share is reported in their financial statements.

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

B. Government-Wide and Fund Financial Statements

The City's basic financial statements include both government-wide (reporting the City as a whole) and fund financial statements (reporting the City's major funds). Government-wide financial statements report on information of all of the nonfiduciary activities of the City and its component units. Both the government-wide and fund financial statements categorize primary activities as either governmental or business-type. The City's general government, public safety, public works, public health and welfare, and culture and recreation are classified as governmental activities. Water, electric, parking, golf, and affordable housing are classified as business-type activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the City's governmental functions and business-type activities. The governmental functions are also supported by general government revenues (e.g., sales taxes, property and specific ownership taxes, investment earnings, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants, and capital grants. Program revenues must be directly associated with the governmental function or a 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 City as an entity and the change in the City's net position resulting from the current year's activities.

C. Fund Financial Statements

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

The fund focus is on current available resources and budget compliance.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements (continued)

The City reports the following major governmental funds:

The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the City, except those required to be accounted for in another fund.

The *Wheeler Transfer Tax Fund* is used to account for the collection of a one-half percent (1/2%) tax on the value of all transfers of real property in the City. This tax was extended until 2039 in an election held in Nov 2016. Expenditures are restricted by ordinance to renovation, reconstruction, and maintenance of the Wheeler Opera House and for the support of the visual and performing arts.

The *Affordable Housing Fund* is used to account for revenues and expenditures related to the collection of a one percent (1%) tax on the value of all transfers of real property in the City, an affordable housing dedication fee, and a portion (45%) of a sales tax of .45%. In November 2008, the electorate approved an extension of both the 1% real estate transfer tax and the .45% sales tax through 2040. Expenditures are restricted to affordable housing purposes.

The *Parks and Open Space Fund* provides funding for the acquisition, development, and maintenance operations of the City's parks and open space trails. It accounts for two of the City's specifically authorized sales taxes.

The *Transportation Fund* accounts for the collection of a 2.1% construction use tax, a sales tax of .15%, and a lodging tax of two percent (2%). The 2% lodging tax is split between transportation (25%) and tourism (75%). Funds are used to develop and promote transportation alternatives, improve transit services in the City, and implement new City transit routes.

The *Asset Management Plan Fund* accounts for capital improvements made to the City's physical assets.

The City reports the following major proprietary or business-type funds:

The *Water Fund* accounts for the activities of the water utility owned by the City for the delivery of water service to the residents of Aspen. The major sources of revenue are from water user fees, which are used for operations, and from tap fees, which are used for capital improvements and are charged to new or enlarged water services in the City.

The *Electric Fund* accounts for the activities of the electric utility and hydroelectric plants operated by the City for the delivery of electric service to a portion of the citizens of Aspen. The major source of revenue is electric service revenue, while purchased power is the major expense.

The *Truscott Place Housing Fund* accounts for the operations of Truscott Place affordable rental housing. The complex provides housing for employees of Pitkin County businesses.

Internal service funds account for health insurance, employee housing, and information technology services. The Health Insurance Fund accounts for health insurance contributions and claims paid to beneficiaries on a cost reimbursement basis. The Employee Housing Fund accounts for the current construction and maintenance of all rental and sale units for City Employees. The Information Technology Fund accounts for the implementation, management, and support of computer and telephone technology.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

C. Fund Financial Statements (continued)

Additionally, the City reports the following fund types:

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments. The Police Seizure Fund accounts for proceeds from police seizure activities. The Deposits Agency Fund accounts for deposits that will be remitted to other parties upon meeting payment criteria.

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 expenses by function.

1. Long-Term Economic Focus and Accrual Basis

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements use the long-term economic focus and are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the related cash flows.

2. Current Financial Focus and Modified Accrual Basis

The governmental 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, 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. Property taxes, sales taxes, intergovernmental revenues, other taxes, and investment income associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. Expenditures are generally recognized when the related liability is incurred. The exception to this general rule is that principal and interest on general long-term debt are recorded only when payment is due.

Non-current portions of long-term receivables due to governmental funds are reported on their balance sheets, in spite of their spending measurement focus. Special reporting treatments are used to indicate, however, that they should not be considered "available spendable resources," since they do not represent net current assets. Recognition of governmental fund type revenues represented by non-current receivables is deferred until they become current receivables.

3. Financial Statement Presentation

Amounts reported as program revenues in governmental funds include: 1) charges to customers and applicants for goods, services, or privileges provided; 2) operating grants and contributions; and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

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

3. Financial Statement Presentation (continued)

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 City's enterprise funds and the internal service funds are charges to customers for sales and services. Operating expenses for the enterprise funds and the internal service funds include the cost of sales and services, operating expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

E. Financial Statement Accounts

1. Cash and Investments

Whenever possible, cash is pooled from the various City funds to enhance investment capabilities and maximize investment income. Investments are made taking into consideration cash flow needs, market conditions, and contingency plans. The City's investment policies prescribe eligible investments, investment diversification, and maturity and liquidity guidance. Investments are stated at market value.

For purposes of the statement of cash flows, the enterprise funds and the internal service funds consider all liquid investments with original maturities of three months or less to be cash equivalents.

Cash and cash equivalents include amounts in demand deposits as well as short-term investments with a maturity date within 3 months of the date acquired by the City.

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

The City permits investments in the following type of obligations which corresponds with applicable state statutes:

- Legal investments for municipalities under state statutes
- Commercial paper
- Repurchase agreements
- Obligations of the United States or obligations unconditionally guaranteed by the United States or its agencies
- Obligations of the State of Colorado and most general obligations of units of local governments
- Federally insured mortgages and student loans
- Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments and must comply with the same restrictions on cash deposits and investments.

2. Property Taxes

Property taxes are assessed in one year as a lien on the property, but are not collected by the governmental unit until the subsequent year. In accordance with GAAP, the assessed but uncollected property taxes have been recorded as a receivable and as a deferred inflow.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

3. Accounts Receivable

The City uses the allowance method for recognizing the potential uncollectibility of delinquent accounts receivable. At December 31, 2016, there were allowances for \$48,743 comprised of a \$43,000 grant for stormwater improvements, \$811 for Car-to-Go customer accounts, \$3,842 for Truscott Housing tenants, and \$1,467 for Marolt Housing tenants.

4. Interfund Receivables and Payables

Balances at year-end between funds are reported as “advances to other funds/advances from other funds” in the fund financial statements. Any residual balances not eliminated between the governmental and business-type activities are reported as “internal balances” in the government-wide financial statements. Advances between funds, as reported in the fund financial statements, are offset by a nonspendable fund balance account in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

5. Prepaid Items

Prepaid items of governmental funds are recorded when consumed rather than when purchased.

6. Inventory

Inventories are valued at cost using the first-in, first-out method. Inventory in the General Fund consists of expendable supplies held for consumption and merchandise held for resale. Inventories in the Affordable Housing Fund and Employee Housing Fund consist of affordable housing units held for sale. Inventory in the Parks and Open Space Fund consists of mall bricks held for consumption. Inventory in the Golf Fund consists of golf merchandise held for resale. The cost of these inventories is recorded as expenditures at the time the individual inventory items are used or sold.

7. Capital Assets

Capital assets, which include land, buildings, improvements, equipment, machinery, and infrastructure assets, are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. Infrastructure assets consist of roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems purchased or constructed since 1980. Capital assets are defined by the City as assets with an initial cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at cost where historical records are available and at an estimated historical cost where no historical record exists. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related fixed assets, as applicable.

Capital outlay for projects is capitalized as projects are constructed. Interest incurred during the construction phase is capitalized as part of the value of the assets. Depreciation begins when the completed asset is put into service.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

7. Capital Assets (continued)

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

Buildings	25 - 50 years
Infrastructure and improvements other than buildings	10 - 65 years
Machinery and equipment	3 - 40 years

8. Bond Premiums and Discounts

Bonds payable are reported net of the applicable bond premium or discount. No amortization was taken on these premiums and discounts in the first year. These premiums and discounts are amortized over the life of the applicable bonds using the bonds outstanding method.

9. Unearned Revenue

For governmental funds, unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period.

In subsequent periods, when revenue recognition criteria are met or when the City has legal claim to the resources, the liability for unavailable revenue is removed and revenue is recognized.

10. Compensated Absences

Accumulated paid time off and extended sick leave of governmental funds are reported in the governmental activities column in the government-wide financial statements when incurred. Accumulated paid time off and extended sick leave of the proprietary fund type is recorded as an expense and liability of that fund as the benefits accrue to employees.

11. Fund Balance Classifications

In the fund financial statements, governmental funds report fund balance classifications including nonspendable resources, restricted amounts, committed amounts, and assigned amounts. Only the General Fund reports unassigned amounts that have not been restricted, committed, or assigned to specific purposes within the General Fund. However, it may be necessary for other governmental funds to report negative fund balance as unassigned. The City Council must take formal action through ordinance to establish, modify, or rescind committed fund balance amounts. The City Manager has the authority to establish, modify, or rescind assigned fund balance to a specific department or project within a fund, as stated in the City's adopted financial policies.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

11. Fund Balance Classifications (continued)

Fund balance classifications with the highest level of constraint are spent first; such that restricted fund balance is spent before unrestricted fund balance when an expenditure is incurred for which both restricted and unrestricted balances are available. Likewise, committed and assigned fund balances are spent before unassigned fund balance when an expenditure is incurred for which any such unrestricted fund balances are available.

The City has adopted a minimum fund balance policy, which includes the following requirements:

1. A General Fund reserve of no less than twenty-five percent (25%) of annual appropriated expenditures, including recurring transfers, is required. The constitutionally required emergency reserve is included in this operating reserve.
2. A Wheeler Transfer Tax Fund reserve of no less than twenty-five percent (25%) of annual appropriated expenditures, including recurring transfers, is required.
3. The first twenty percent (20%) of the General Fund reserve and of the Wheeler Transfer Tax Fund reserve may be drawn upon on recommendation of staff with Council approval through resolution or ordinance to compensate for an expected shortfall.
4. All other funds, except for the Tourism/Regional Transportation Fund, the Aspen Public Education Fund, and the Debt Service Fund, are required to maintain a reserve of no less than twelve and a half percent (12.5%) of annual appropriated expenditures, including recurring transfers.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

11. Fund Balance Classifications (continued)

Fund balance classifications are reported in the aggregate on the face of the balance sheet. The components of each classification are displayed below:

	General Fund	Wheeler Transfer Tax Fund	Affordable Housing Fund	Parks and Open Space Fund	Transportation Fund	Asset Management Plan Fund
Nonspendable:						
Advances to other funds	-	-	-	117,510	-	-
Prepaid items	-	197,255	-	-	-	-
Inventories	30,431	-	-	16,650	1,534	-
Total Nonspendable	30,431	197,255	-	134,160	1,534	-
Restricted:						
Constitutionally required emergency reserve	2,382,946	-	-	-	-	-
Community enhancement	174,887	-	-	-	-	-
Total Restricted	2,557,833	-	-	-	-	-
Committed:						
Operating reserve	5,014,922	1,142,769	124,891	1,635,757	263,495	-
Carryforward savings	2,536,480	50,120	-	389,500	107,360	-
Total Committed	7,551,402	1,192,889	124,891	2,025,257	370,855	-
Assigned:						
Capital projects	-	-	-	-	-	19,915,206
Culture and recreation	-	27,585,406	-	4,797,869	-	-
Affordable housing	-	-	29,256,722	-	-	-
Transportation	-	-	-	-	5,047,086	-
Total Assigned	-	27,585,406	29,256,722	4,797,869	5,047,086	19,915,206
	Tourism/ Regional Transportation Fund	Aspen Public Education Fund	Renewable Energy Mitig- ation Plan Fund	Kids First/ Daycare Fund	Stormwater Fund	Debt Service Fund
Committed:						
Operating reserve	-	-	-	455,058	-	-
Carryforward savings	-	-	-	103,450	190,190	-
Total Committed	-	-	-	558,508	190,190	-
Assigned:						
Public works	-	-	-	-	2,419,423	-
Transportation	468,700	-	-	-	-	-
Childcare	-	4,113	-	4,754,283	-	-
Destination Marketing	(250,404)	-	-	-	-	-
Energy Mitigation	-	-	4,036,958	-	-	-
Debt service	-	-	-	-	-	199,890
Total Assigned	218,296	4,113	4,036,958	4,754,283	2,419,423	199,890

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

I. Summary of Significant Accounting Policies (continued)

E. Financial Statement Accounts (continued)

12. 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 expenditures or expenses in the reimbursing fund and as reimbursement revenue in the fund that is reimbursed. All other interfund transactions, except for reimbursements and interfund services provided and used, are reported as transfers. Repayments of long-term interfund advances are also accounted for as transfers for budgeting purposes with a corresponding decrease/increase in the receivable/payable for GAAP purposes.

F. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the City'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 the financial statements, and the reported amount of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

2. Restricted and Unrestricted Resources

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

3. Indirect Expense Allocations

The City chooses to allocate general government expenses consisting of central service departments such as Finance, Human Resources, City Manager, and City Attorney to the appropriate function based on a study estimating the time spent providing services. This allocation is shown as "Indirect Expenses Allocation" on the Statement of Activities.

4. Reclassification of Prior Period

Certain prior year amounts may be reclassified to make them more comparable to the current year financial statements.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

II. Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

The governmental fund balance sheet includes a reconciliation between the fund balance of total governmental funds and net position of governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains "Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds." This \$176,557,646 difference is related to property, plant and equipment of \$271,636,208 less accumulated depreciation of \$95,078,562.

Another element of that reconciliation explains "Long-term receivables are not available for current year expenditures and, therefore, are not reported in the funds." This \$10,008,231 difference is long-term receivables of \$8,150,030 and interest receivable of \$1,858,201.

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenue, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances includes reconciliation between net change in fund balances of governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation explains "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". The details of this \$3,504,656 difference are comprised of capital outlay of \$10,245,298 less depreciation expense of \$6,740,642.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

III. Stewardship, Compliance, and Accountability

A. Budgetary Information

An annual budget and appropriation resolution is adopted by City Council in accordance with the City's Home Rule Charter. Separate budget/actual comparisons are presented in these financial statements for all non-agency funds as required by Colorado State Statutes. This comprehensive annual financial report and the adopted budget are filed with the appropriate State of Colorado Department.

Budgets are prepared on a GAAP basis for all funds except the Wheeler Transfer Tax Fund, Affordable Housing Fund, Parks and Open Space Fund, Asset Management Plan Fund, and the enterprise funds. The budgets for these funds have been adopted on a non-GAAP budget and are reconciled to GAAP below:

	Wheeler Transfer Tax Fund	Parks and Open Space Fund	Asset Management Plan Fund
Net Change in Fund Balances - Budget Basis	\$ (115,057)	\$ 106,265	\$ 1,383,080
Add/(less):			
Interfund advance principal payments	(84,197)	(8,076)	84,197
Net Change in Fund Balances - GAAP Basis	<u>\$ (199,254)</u>	<u>\$ 98,189</u>	<u>\$ 1,467,277</u>

	Water Fund	Electric Fund	Truscott Place Housing Fund	Parking Fund	Golf Fund
Change in Net Position - Budget Basis	\$ 1,249,904	\$ (98,589)	\$ (321,318)	\$ 298,409	\$ 277,540
Add/(less):					
Debt principal payments	-	155,000	575,000	-	118,450
Debt accrued interest	-	1,650	(11,087)	-	2,219
Interfund loan proceeds	-	-	-	-	8,077
Capitalized expenses	226,712	419,542	333,601	989,054	95,414
Change in compensated absences	(46,622)	(2,198)	(4,623)	(5,126)	10,901
Change in OPEB obligation	(109)	1,813	-	11,892	(1,946)
Loss on disposition of fixed assets	-	-	-	-	(2,293)
Depreciation and amortization	(974,450)	(915,800)	(593,992)	(290,965)	(188,980)
Change in Net Position - GAAP Basis	<u>\$ 455,435</u>	<u>\$ (438,582)</u>	<u>\$ (22,419)</u>	<u>\$ 1,003,264</u>	<u>\$ 319,382</u>

	Marolt Ranch Housing Fund	ACI Affordable 1 LLLP	Si Johnson Ditch Company Inc.	Employee Housing Fund	Information Technology Fund
Change in Net Position - Budget Basis	\$ 33,504	\$ (4,885,844)	\$ 356,411	\$ 202,393	\$ 53,315
Add/(less):					
Debt principal payments	410,000	(17,732)	-	-	-
Debt accrued interest	(11,352)	-	-	-	-
Debt issuance	-	(4,644,984)	-	-	-
Personnell services	-	-	-	39,300	-
Interfund loan proceeds	-	-	14,041	-	-
Capitalized expenses	44,250	10,438,662	-	880,469	-
Change in compensated absences	(3,082)	-	-	-	-
Depreciation and amortization	(239,018)	(31,909)	-	(27,829)	(199,902)
Change in Net Position - GAAP Basis	<u>\$ 234,302</u>	<u>\$ 858,193</u>	<u>\$ 370,452</u>	<u>\$ 1,094,333</u>	<u>\$ (146,587)</u>

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

III. Stewardship, Compliance, and Accountability (continued)

A. Budgetary Information (continued)

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

1. Prior to October 15, the City Manager submits to the City Council a proposed operating and capital budget for the fiscal year commencing the following January 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted at scheduled City Council meetings to obtain taxpayer comments.
3. The City's mill levy is formally certified to the Pitkin County Treasurer prior to December 15, based on the budget.
4. Prior to December 31, the budget is legally enacted through passage of a resolution.
5. Formal budgetary integration is employed in all funds except agency funds.
6. Budgets in all funds are not adopted on a basis consistent with GAAP. Budgets treat bond and note proceeds as other financing sources, bond principal payments and capital expenditures are treated as expenditures, depreciation and amortization are not treated as expenditures, and interfund advance payments are treated as transfers. Budgets are not adopted for the agency funds.
7. The legal level of budgetary control is the fund level. The City Manager may legally approve budget transfers between departments within a fund. Department directors may transfer budgeted amounts between various programs within the department. The City Manager must approve capital project budget transfers. Department heads must approve transfers of budget between the major expenditure categories (personnel, supplies and services, capital outlay/expenses, and debt service) within a department.
8. Budgeted amounts in this report represent the original adopted amounts plus or minus any amendments by City Council throughout the year. In order to amend the budget, the City Manager must certify that there are current year revenues in excess of those anticipated in the budget that are available for appropriation or the City Manager must certify that there is a prior year fund balance / net position balance available for appropriation. Budgets are amended by ordinance.
9. Individual departments carry forward fifty percent (50%) of any unexpended operating budget amounts to the next fiscal year.

Property taxes levied in one year are collected in the subsequent year. Thus, taxes certified in 2015 were collected in 2016 and taxes certified in 2016 will be collected in 2017. Taxes are due on January 1 in the year of collection; however, they may be paid in either one installment (no later than April 30) or two equal installments (not later than February 28 and June 15) without interest or penalty. Taxes that are not paid within the prescribed time bear interest at the rate of one percent (1%) per month until paid. Unpaid amounts and the accrued interest thereon become delinquent on June 16.

During the year, supplemental appropriations were necessary. The budgetary comparison statements reflect the original budget and the final budget after legally authorized revisions were made.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

III. Stewardship, Compliance, and Accountability (continued)

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 contains 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 the 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. The City has reserved a portion of the December 31, 2016 year-end fund balance in the General Fund for this purpose in the amount of \$2,382,946, which is the approximate required reserve.

The initial base for local government spending and revenue limits is December 31, 1992 fiscal year spending. Future spending and revenue limits are determined based on the prior year's fiscal year spending adjusted for inflation in the prior calendar year plus annual local growth. Fiscal year spending is generally defined as expenditures and reserve increases with certain exceptions. Revenue, if any, in excess of the fiscal year spending limit, must be refunded in the next fiscal year unless voters approve retention of such revenue.

The City's management believes it is in compliance with the financial provisions of TABOR. However, TABOR is complex and subject to interpretation.

In November 1994, the electorate approved ballot question 2B which allows the City to collect, retain, and spend the full proceeds of the City's existing sales and real estate transfer taxes, grants, and revenues from all other sources, with the exception of revenues generated from property tax.

IV. Detailed Notes on All Funds

A. Cash and Investments

In order to facilitate the recording of cash transactions and maximize investment earnings, the City has combined the cash and investments and maintains accountability for each fund's equity in the pooled cash and investments. Investment earnings are prorated among the contributing funds monthly, based on each fund's respective percentage of equity to the total amount of pooled cash and investments. All funds of the City are eligible for investment and may be combined in an investment instrument to maximize earnings.

The Town's deposits are entirely covered by federal depository insurance ("FDIC") or by collateral held under Colorado's Public Deposit Protection Act ("PDPA"). The FDIC insures the first \$250,000 of the Town's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the Town's demand deposits was \$14,639,677 at year end. The City also had cash on hand of \$18,550.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

A. Cash and Investments (continued)

Fair Value of Investments

The Town 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.

Investment Measured at Fair Value	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
U.S. Treasuries		\$ 33,347,457	\$ -	\$ -
Agency Securities		58,207,397	-	-
Agency/Mortgage Backs		14,440	-	-
Corporate Securities		15,006,990	-	-
Municipals		2,016,580	-	-
Taxable Municipals		1,929,689	-	-
CHFA ACI Bond		-	4,644,984	-
Total Investments		\$ 110,522,553	\$ 4,644,984	\$ -

Investment Measured at Net Asset Value

Colotrust	\$ 20,268,207
CSIP	\$ 2,425,058

Debt and equity security classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities in level 2 are valued using Money Market, Bond, and Equity Mutual Funds: published fair value per share (unit) for each fund.

B. Summary of Cash and Investments

A summary of deposits and investments held by the City follows:

Type	Amount
Cash and cash equivalents	\$ 14,639,677
Cash on hand	18,550
Investments	137,860,802
Total Cash and Investments	\$ 152,519,029

Financial Statement Captions	Amount
Governmental Activities	\$ 129,226,493
Business-type Activities	17,389,609
Fiduciary Funds	5,902,927
Total Cash and Investments	\$ 152,519,029

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

B. Summary of Cash and Investments (continued)

The City has a formal investment policy that includes the following guidelines.

Credit Risk. The City limits credit risk by limiting the types of investments to the following:

- Legal investments for municipalities under state statutes
- Commercial paper
- Repurchase agreements
- Obligations of the United States or obligations unconditionally guaranteed by the United States or its agencies
- Obligations of the State of Colorado and most general obligations of units of local governments
- Federally insured mortgages and student loans
- Participation with other local governments in pooled investment funds (trusts). These trusts are supervised by participating governments and must comply with the same restrictions on cash deposits and investments.

Investments are to be made with judgment and care – under circumstances then prevailing – which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment.

Interest Rate Risk. The City invests in various mortgage-backed securities. Mortgage-backed securities receive cash flow in the form of principal and interest payments on underlying mortgages and are sensitive to prepayments by borrowers.

The City limits its exposure to interest rate risk by limiting the maturity for investments held. The City restricts the effective maturity of any security to less than five years from the date of purchase.

Concentration of Credit Risk. The City diversifies its investments by security type and institution. Financial institutions holding City's funds must provide the City a copy of the certificate from the Banking Authority that states that the institution is an eligible public depository. At December 31, 2016, the City's investments in Fannie Mae, Freddie Mac, Federal Home Loan Bank, Federal Farm Credit Bank, and United States Treasuries were 11%, 8%, 12%, 9%, and 24% of the Town's investment portfolio, respectively.

Restricted Cash. Burlingame Housing, Inc., a component unit of the City, had restricted cash for tenant deposits and for amounts held by trustee in the amount of \$3,303,192.

At December 31, 2016, unrealized gains or (losses) were \$413,729 which reflects changes in the fair market value of investments. The Town had the following cash and investments with the following maturities:

Investment Type	Fair Value	Standard & Poor		Investment Maturities (in Years)	
		Rating	Percentage	Less than 1 Year	1-5
U.S. Treasuries	\$ 33,347,457	AAA	24%	\$ 9,707,635	\$ 23,639,822
Agency Securities	58,207,397	AA+	43%	11,720,734	46,486,663
Agency/Mortgage Backs	14,440	AA+	0%	59	14,381
Corporate Securities	15,006,990	AA-	11%	6,150,530	8,856,460
Municipals	2,016,580	AAA	1%	11,500	2,005,080
Taxable Municipals	1,929,689	AA	1%	2,585	1,927,104
Colotrust	20,268,207	AAA	15%	20,268,207	-
CHFA ACI Bond	4,644,984	AAA	3%	-	4,644,984
CSIP	2,425,058	AAA	2%	2,425,058	-
Total Investments	\$ 137,860,802		100%	\$ 50,286,308	\$ 87,574,494

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

C. Receivables

The City has several types of receivables. Receivables not meeting the requirements for revenue recognition in the City's funds are shown on the government-wide financial statements. The City had the following receivables, net of applicable uncollectible accounts:

	General Fund	Wheeler Transfer Tax Fund	Affordable Housing Fund	Parks and Open Space Fund
Current Receivables:				
Trade accounts	\$ 2,194,057	\$ 57,223	\$ 253,806	\$ 1,960,250
Gross Receivables	2,194,057	57,223	253,806	1,960,250
Less: Allowance for uncollectibles	-	-	-	(43,000)
Net Current Receivables	<u><u>\$ 2,194,057</u></u>	<u><u>\$ 57,223</u></u>	<u><u>\$ 253,806</u></u>	<u><u>\$ 1,917,250</u></u>
	Transportation Fund	Asset Management Plan Fund	Nonmajor Governmental Funds	Total Governmental Funds
Current Receivables:				
Taxes	\$ -	\$ 6,881,201	\$ 870,432	\$ 7,751,633
Trade accounts	353,400	855,374	1,072,358	6,746,468
Gross Receivables	353,400	7,736,575	1,942,790	14,498,101
Less: Allowance for uncollectibles	(811)	-	-	(43,811)
Net Current Receivables	<u><u>\$ 352,589</u></u>	<u><u>\$ 7,736,575</u></u>	<u><u>\$ 1,942,790</u></u>	<u><u>14,454,290</u></u>
Long-term Receivables:				
Burlingame Housing Corporation				2,319,100
Truscott Place Phase II LLLP				3,808,860
ACI Affordable 1 LLLP				3,880,271
Internal Service Fund Receivables				239,435
Total per Government-wide Financial Statements				<u><u>\$ 24,701,956</u></u>

The Burlingame Housing Corporation receivables are due in 2030. The Truscott Place Phase II receivables are due in 2047. Amounts due from Aspen Country Inn are dependent upon the terms of the project's limited partnership agreement.

D. Deferred Outflows and Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expenses/expenditures) until then. The City has one item that qualifies for reporting under this category on the government-wide Statement of Net Position, deferred loss on refunding.

A deferred loss 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.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

D. Deferred Outflows and Inflows of Resources (continued)

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The City has one item that qualifies for reporting under this category on the government-wide Statement of Net Position, property taxes assessed in 2016 but not collectible until 2017.

E. Interfund Receivables, Advances, and Transfers

At December 31, 2016, the Tourism/Regional Transportation Fund owed \$72,099 to the General Fund to reimburse for expenditures paid throughout the year in the normal course of business.

The following long-term interfund advances existed at December 31, 2016:

	<u>Advance to Other Funds</u>	<u>Advances Due to Other Funds</u>	<u>Total</u>
Parks Open Space Fund	117,510	-	117,510
Golf Enterprise Fund	-	(117,510)	(117,510)
Total	<u>\$ 117,510</u>	<u>\$ (117,510)</u>	<u>\$ -</u>

Details regarding the long-term advances are as follows:

In 2009, the Parks and Open Space Fund loaned the Golf Fund \$200,000. The loan bears interest at 4% per annum, with annual principal and interest due through December 31, 2019. Proceeds from the loan were used to start up the Golf Pro Shop operation.

The City makes transfers between funds to 1) move revenue from the fund with collection authorization to the debt service fund as debt service principal and interest payments become due, 2) to repay interfund advances, and 3) to allocate resources based upon City Council adopted budgetary policies. A schedule of transfers made during 2016 is shown on the following page.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

E. Interfund Receivables, Advances, and Transfers (continued)

	Transfers In:										Total Transfers Out
	General Fund	Wheeler Transfer Tax Fund	Parks and Open Space Fund	Transportation Fund	Asset Management Plan Fund	Water Fund	Truscott Place Housing Fund	Nonmajor Governmental Funds	Nonmajor Proprietary Funds	Internal Service Funds	
General Fund	-	-	180,206	-	3,717,550	-	-	-	15,000	496,300	\$ 4,409,056
Wheeler Transfer Tax Fund	382,550	-	-	-	16,500	-	-	-	-	99,100	\$ 498,150
Affordable Housing Fund	538,000	-	8,984	-	4,060	-	250,000	-	-	-	\$ 801,044
Parks and Open Space Fund	1,047,170	-	-	-	403,110	-	-	2,958,050	468,950	250,600	\$ 5,127,880
Transportation Fund	435,629	-	6,672	-	8,130	-	-	-	-	32,100	\$ 482,531
Asset Management Plan Fund	-	4,303	-	-	-	-	-	87,550	-	-	\$ 91,853
Water Fund	1,389,660	-	150,000	-	323,620	-	-	10,000	-	213,100	\$ 2,086,380
Electric Fund	629,490	-	-	-	-	385,000	-	-	-	66,200	\$ 1,080,690
Truscott Place Housing Fund	140,000	-	-	-	-	-	-	-	-	10,000	\$ 150,000
Nonmajor Governmental Funds	380,270	-	10,941	72,540	107,880	-	45,000	-	-	81,500	\$ 698,131
Nonmajor Proprietary Funds	732,679	-	5,024	-	-	-	-	-	-	141,300	\$ 879,003
Internal Service Funds	115,760	-	-	-	4,060	-	-	-	-	35,800	\$ 155,620
Total Transfers In	<u>\$ 5,791,208</u>	<u>\$ 4,303</u>	<u>\$ 361,827</u>	<u>\$ 72,540</u>	<u>\$ 4,584,910</u>	<u>\$ 385,000</u>	<u>\$ 295,000</u>	<u>\$ 3,055,600</u>	<u>\$ 483,950</u>	<u>\$ 1,426,000</u>	<u>\$ 16,460,338</u>

Transfers Out:

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

F. Capital Assets

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Land and land rights	\$ 82,110,393	\$ -	\$ -	\$ 82,110,393
Construction in progress	7,856,353	4,200,875	(6,274,949)	5,782,279
Total Capital Assets, Not Being Depreciated	<u>89,966,746</u>	<u>4,200,875</u>	<u>(6,274,949)</u>	<u>87,892,672</u>
Capital Assets, Being Depreciated:				
Buildings	81,363,403	880,470	(267,665)	81,976,208
Infrastructure and improvements other than buildings	73,726,629	10,489,157	(453,710)	83,762,076
Machinery and equipment	16,408,746	1,830,216	(233,710)	18,005,252
Total Capital Assets Being Depreciated	<u>171,498,778</u>	<u>13,199,843</u>	<u>(955,085)</u>	<u>183,743,536</u>
Less Accumulated Depreciation For:				
Buildings	(49,849,647)	(1,474,919)	77,145	(51,247,421)
Infrastructure and improvements other than buildings	(28,247,553)	(3,546,693)	198,635	(31,595,611)
Machinery and equipment	(10,469,167)	(1,946,761)	180,398	(12,235,530)
Total Accumulated Depreciation	<u>(88,566,367)</u>	<u>(6,968,373)</u>	<u>456,178</u>	<u>(95,078,562)</u>
Total Capital Assets, Being Depreciated, Net	<u>82,932,411</u>	<u>6,231,470</u>	<u>(498,907)</u>	<u>88,664,974</u>
Governmental Activities Capital Assets, Net	<u><u>\$ 172,899,157</u></u>	<u><u>\$ 10,432,345</u></u>	<u><u>\$ (6,773,856)</u></u>	<u><u>\$ 176,557,646</u></u>
Business-Type Activities				
Capital Assets, Not Being Depreciated:				
Land and land rights	\$ 3,842,175	\$ 507,493	\$ -	\$ 4,349,668
Construction in progress	11,079,431	6,648,719	(6,810,786)	10,917,364
Total Capital Assets, Not Being Depreciated	<u>14,921,606</u>	<u>7,156,212</u>	<u>(6,810,786)</u>	<u>15,267,032</u>
Capital Assets, Being Depreciated:				
Buildings	28,398,502	4,567,437	-	32,965,939
Infrastructure and improvements other than buildings	42,406,890	7,243,512	-	49,650,402
Machinery and equipment	10,025,626	1,212,756	(95,049)	11,143,333
Total Capital Assets Being Depreciated	<u>80,831,018</u>	<u>13,023,705</u>	<u>(95,049)</u>	<u>93,759,674</u>
Less Accumulated Depreciation For:				
Buildings	(12,951,635)	(792,080)	-	(13,743,715)
Infrastructure and improvements other than buildings	(23,836,334)	(1,679,195)	-	(25,515,529)
Machinery and equipment	(6,138,155)	(763,839)	92,651	(6,809,343)
Total Accumulated Depreciation	<u>(42,926,124)</u>	<u>(3,235,114)</u>	<u>92,651</u>	<u>(46,068,587)</u>
Total Capital Assets, Being Depreciated, Net	<u>37,904,894</u>	<u>9,788,591</u>	<u>(2,398)</u>	<u>47,691,087</u>
Business-Type Activities Capital Assets, Net	<u><u>\$ 52,826,500</u></u>	<u><u>\$ 16,944,803</u></u>	<u><u>\$ (6,813,184)</u></u>	<u><u>\$ 62,958,119</u></u>

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

F. Capital Assets (continued)

Depreciation expense was charged to functions of the City as follows:

Governmental Activities:

General government	\$ 1,019,115
Public safety	180,567
Public works	1,422,532
Public health and welfare	654,552
Culture and recreation	3,691,607

Total Depreciation Expense - Governmental Activities	<u>\$ 6,968,373</u>
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Business-type Activities:

Water	\$ 974,450
Electric	915,800
Parking	290,965
Golf	188,980
Affordable housing	864,919

Total Depreciation - Business-Type Activities	<u>\$ 3,235,114</u>
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At December 31, 2016, the City had \$127,206,127 of fully depreciated assets for governmental activities. Fully depreciated capital assets for business-type activities totaled \$79,418,161.

G. Long-term Debt – Governmental Activities

The government entered into a lease agreement as a lessee for financing a series of governmental energy efficiency improvements projects. This lease agreement equally as a capital lease for accounting purposes and therefore have been recorded at the present value of the futures minimum lease payments as of the inception date.

The future minimum lease obligations and the net present value of the minimum lease payments as of December 31, 2016, were as follows:

<u>Year Ended December. 31</u>	<u>Governmental Activities</u>
2017	\$ 48,926
2018	48,926
2019	48,926
2020	48,926
2021	48,926
2022	12,232
Total minimum lease payments	256,862
Less: amount representing interest	(31,251)
Present value of minium lease payments	<u>\$ 225,611</u>

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

H. Long-term Debt – Governmental Activities

The City has the following long-term debt outstanding for governmental activities:

1. Parks and Open Space Sales Tax Revenue Refunding Bonds, Series 2015

The City issued \$3,715,000 of Sales Tax Revenue Refunding Bonds (the 2015 Refunding Bonds) dated November 12, 2015 of which \$3,287,775 (88.5%) pertains to governmental activities. The remaining \$427,225 is accounted for as a long-term liability for business-type activities on the Golf Course Fund (see Note IV (I)(3)). Proceeds from the 2015 Refunding Bonds were used to advance refund the City's Sales Tax Revenue Bonds, Series 2005. The Series 2005 Bonds being refunded mature in the years 2016 through 2019. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$123,970. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce total debt service payments by \$279,543 and resulted in an economic gain of \$274,213.

The interest rates on the 2015 Refunding Bonds range from 2% to 3% and are payable on May 1 and November 1 2016 through 2019.

The 2015 Refunding Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax. The 2015 Refunding Bonds are issued on parity with the Series 2014 Parks and Open Space Revenue Refunding Bonds, Series 2014 Parks and Open Space Revenue Improvement Bonds, the Series 2013 Parks and Open Space Revenue Refunding Bonds, the Series 2012 Parks and Open Space Revenue Refunding Bonds, the Series 2012 Parks and Open Space Revenue Improvement Bonds, and the Series 2009 Parks and Open Space Revenue Refunding Bonds.

The 2015 Refunding Bonds are not subject to redemption prior to their respective maturity dates.

2. Parks and Open Space Sales Tax Revenue Refunding Bonds, Series 2014

The City issued \$1,270,000 of Sales Tax Revenue Refunding Bonds (the 2014 Refunding Bonds) dated November 6, 2014. Proceeds from the 2014 Refunding Bonds were used to advance refund a portion of the City's Sales Tax Revenue Bonds, Series 2005B. The Series 2005B Bonds being refunded mature in the years 2016 through 2018 and 2022. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$65,511. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce total debt service payments by \$202,136 and resulted in an economic gain of \$183,955.

The interest rates on the 2014 Refunding Bonds range from 2% to 4% and are payable on May 1 and November 1 2015 through 2022.

The 2014 Refunding Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax.

The 2014 Refunding Bonds are not subject to redemption prior to their respective maturity dates.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

H. Long-term Debt – Governmental Activities

3. Parks and Open Space Sales Tax Revenue Improvement Bonds, Series 2014

The City issued \$4,085,000 of Sales Tax Revenue Bonds (the 2014 Bonds) dated November 6, 2014. The proceeds of this issue will be used to purchase and improve trail, recreation and open space properties, and ancillary facilities. The interest rates on the 2014 Bonds range from 2% to 4% and are payable on May 1 and November 1 through 2025.

The 2014 Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax.

The 2014 Bonds are not subject to redemption prior to their respective maturity dates.

4. Parks and Open Space Sales Tax Revenue Refunding Bonds, Series 2013

The City issued \$8,295,000 of Sales Tax Revenue Refunding Bonds (the 2013 Bonds) dated January 3, 2013. Proceeds from the 2013 Bonds were used to advance refund a portion of the City's Sales Tax Revenue Bonds, Series 2005B. The Series 2005B Bonds being refunded, mature in the years 2022 through 2025. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the government activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$1,272,702. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce total debt service payments by \$1,986,623 and resulted in an economic gain of \$1,746,245.

The interest rates on the 2013 Bonds range from 2.25% to 4% and are payable on May 1 and November 1 through 2025.

The 2013 Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax.

The 2013 Bonds are not subject to redemption prior to their respective maturity dates.

5. Parks and Open Space Sales Tax Revenue Refunding Bonds, Series 2012

The City issued \$4,160,000 of Sales Tax Revenue Refunding Bonds (the 2012 Refunding Bonds) dated October 1, 2012. Proceeds from the 2012 Refunding Bonds were used to advance refund a portion of the City's Sales Tax Revenue Bonds, Series 2005B. The Series 2005B Bonds being refunded mature in the years 2019 through 2022. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$558,294. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce total debt service payments by \$524,202 and resulted in an economic gain of \$420,321.

The interest rates on the 2012 Refunding Bonds range from 2% to 4% and are payable on May 1 and November 1 through 2022.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

H. Long-term Debt – Governmental Activities

5. Parks and Open Space Sales Tax Revenue Refunding Bonds, Series 2012 (continued)

The 2012 Refunding Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax.

The 2012 Refunding Bonds are not subject to redemption prior to their respective maturity dates.

6. Parks and Open Space Sales Tax Revenue Improvement Bonds, Series 2012

The City issued \$5,225,000 of Sales Tax Revenue Bonds (the 2012 Bonds) dated October 1, 2012. The proceeds of this issue will be used to purchase and improve trail, recreation and open space properties, and ancillary facilities. The interest rates on the 2012 Bonds range from 2.75% to 3% and are payable on May 1 and November 1 through 2032.

The 2012 Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax.

The 2012 Bonds are not subject to redemption prior to their respective maturity dates.

7. Parks and Open Space Sales Tax Revenue Refunding Bonds, Series 2009

The City issued \$7,070,000 of Sales Tax Refunding Bonds (the 2009 Bonds) dated December 15, 2009. Proceeds from the 2009 Bonds were used to advance refund a portion of the City's Sales Tax Revenue Bonds, Series 2001. The Series 2001 Bonds refunded mature in the years 2012 through 2021. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$561,317. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce total debt service payments by \$443,906 and resulted in an economic gain of \$345,490.

The interest rates on the 2009 Bonds range from 2% to 4% and are payable on May 1 and November 1 through 2021.

The 2009 Bonds are special, limited obligations of the City, payable from and secured solely by the revenues derived from the City's 1.5% Parks and Open Space Sales Tax, after deduction of the reasonable and necessary costs and expenses of collecting and enforcing the tax.

The 2009 Bonds are not subject to redemption prior to their respective maturity dates.

8. Taxable Certificates of Participation, Series 2007A

The City issued \$8,405,000 of Taxable Certificates of Participation dated February 1, 2007. Proceeds were used for the purpose of acquiring, renovating, and upgrading certain condominium units within the Isis Theater building. The interest rates on the Series 2007A Taxable Certificates range from 5.27% to 5.96% and are payable on March 1 and September 1 through 2037.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

H. Long-term Debt – Governmental Activities

8. Taxable Certificates of Participation, Series 2007A (continued)

The Series 2007A Taxable Certificates are payable solely from 1) annually appropriated base rentals; 2) moneys held by the Trustee in the Certificate Fund, the Reserve Fund, the Capital reserve Fund, and the Acquisitions and Construction Fund created under the Indenture; and 3) following an Event of Nonappropriation or an Event of Default under the Lease, any moneys received by the Trustee from the sale or sublease of the Leased Property or the exercise of other remedies under the Lease and the Indenture.

The Series 2007A Taxable Certificates maturing on or after March 1, 2017 are subject to redemption prior to maturity at the option of the City, on March 1, 2017, and on any date thereafter, at par plus accrued interest to the redemption date, with no redemption premium.

I. Long-term Debt – Business-type Activities

The City has the following long-term debt outstanding for business-type activities:

1. ACI Affordable 1 LLLP – Construction Loan

The Colorado Housing and Finance Agency ("CHFA") issued Multifamily Housing Revenue Bonds (Aspen Country Inn Project, Series 2016) dated September 20, 2016 in the maximum principal amount of \$7,500,000. The bonds are secured by a first deed of trust and security agreement, an assignment of rents and other rights, and other collateral on the Project as described in the loan documents. The City of Aspen, Colorado (the "Lender") is the registered owner of the bonds. CHFA assigned all of its rights, title and interest in the bond mortgage note to the Lender as security for repayment of the bonds. The bond issue matures on September 1, 2018.

The Lender loaned the proceeds of \$7,500,000 to ACI Affordable 1 LLLP in the form of a promissory note dated September 20, 2016 for construction financing. The promissory note is for a term of two years during which time interest will accrue at the rate of 2.67% per annum, compounded annually and shall be payable in arrears on September 20, 2018, the maturity date. The unpaid principal balance and accrued interest on the loan will be due and payable in full on September 20, 2018. The note may be prepaid partially or in full at any time without premium or penalty and without the prior consent of the Lender. As of December 31, 2016, the outstanding principal balance and accrued interest thereon was \$4,644,984 and \$17,732, respectively. Interest incurred for the period February 25, 2016 (inception) through December 31, 2016 amounted to \$29,451, including debt issuance costs of \$11,719, all of which is included in construction in progress on the balance sheet.

Debt issuance costs on the above note are being amortized using an average imputed rate of 3.295%. During the period February 25, 2016 (inception) through December 31, 2016, \$11,719 of amortization was charged to construction in progress.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

I. Long-term Debt – Business-type Activities (continued)

2. ACI Affordable 1 LLLP – Mortgages and Notes Payable

CHFA has committed to provide permanent financing to ACI Affordable 1 LLLP in the form of a first mortgage note in the amount of not more than \$2,460,000. The note will be endorsed for mortgage insurance by the U.S. Department of Housing and Urban Development ("HUD") under Section 542(c) of the Housing and Community Development Act of 1992 (the "Risk Share Program"). The note will be secured by a single, first and prior deed of trust, security agreement and assignment of rents and leases, and an assignment of the ACI Affordable 1 LLLP's rights, title and interest on the real property, personal property and all other assets secured by the deed of trust. The note is expected to bear interest at the rate of 4.40% and will have a term of 40 years. Monthly payments of principal and interest will be required in installments sufficient to fully amortize the loan over the term.

Aspen Country Inn I, L.P. is providing construction and permanent financing in the maximum amount of \$3,855,930 in the form of a note dated September 20, 2016 (the "Seller Loan"). Pursuant to an Allonge and Assignment agreement dated September 20, 2016, all rights, title and interest in the Seller Loan was assigned to the City of Aspen, Colorado. The note is secured by a deed of trust lien on the Project. The note bears interest at 2.25% compounded annually and matures on December 31, 2058, at which time the outstanding interest and principal balance is due. Annual payments of principal and interest are due from available cash flow and capital proceeds available for distribution from a capital event as defined in the Partnership Agreement. The note may be prepaid partially or in full at any time without premium or penalty and without the prior consent of the Lender. As of December 31, 2016, the outstanding principal balance and accrued interest thereon was \$3,855,930 and \$24,341, respectively. Interest expense incurred for the period February 25, 2016 (inception) through December 31, 2016 amounted to \$24,341.

The City will provide permanent financing in the maximum amount of \$2,582,197 in the form of a note dated September 20, 2016 (the "City Loan"). The note is secured by a deed of trust lien on the Project. The note does not bear interest and matures on June 1, 2059, at which time the outstanding principal balance is due. Annual payments of principal are due from available cash flow and capital proceeds available for distribution from a capital event as defined in the Partnership Agreement. The note may be prepaid partially or in full at any time without premium or penalty and without the prior consent of the Lender. As of December 31, 2016, no funds have been drawn on this loan.

3. Sales Tax Revenue Refunding Bonds, Series 2015

The City issued \$3,715,000 of Sales Tax Refunding Bonds dated November 12, 2015, of which \$427,225 (11.5%) is accounted for as a long-term liability for business-type activities on the Golf Course Fund (see Note IV (H)(1)).

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

I. Long-term Debt – Business-type Activities (continued)

4. General Obligation Housing Refunding Bonds, Series 2011

The City issued \$2,375,000 of General Obligation Refunding Bonds dated October 3, 2011. Proceeds from the Series 2011 Bonds were used to refund a portion of the City's General Obligation Housing Refunding Bonds, Series 2003. The Series 2003 Bonds refunded mature in years 2012 through 2018. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$149,090. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce the total debt service payments by \$195,822 and resulted in an economic gain of \$184,338. The interest rates on the Series 2011 Bonds range from 2% to 4% and are payable semiannually on June 1 and December 1 through December 2017.

The Series 2011 Bonds are general obligations of the City, payable from the operation of the City's Marolt Housing Fund and, to the extent such fees are not sufficient, from ad valorem property taxes. The Series 2011 Bonds are not subject to redemption prior to their respective maturity dates.

5. General Obligation Housing Refunding Bonds, Series 2009

The City issued \$6,005,000 of General Obligation Refunding Bonds dated December 15, 2009. Proceeds from the Series 2009 Bonds were used to advance refund a portion of the City's General Obligation Housing Bonds, Series 2001A. The Series 2001A Bonds refunded mature in the years 2012 through 2021. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the business-type activities column of the Statement of Net Position. The reacquisition price exceeded the net carrying amount of the old debt by \$499,255. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce the total debt service payments by \$440,292 and resulted in an economic gain of \$342,561. The interest rates on the Series 2009 Bonds range from 2% to 4% and are payable semiannually on June 1 and December 1 through December 2021.

The Series 2009 Bonds are general obligations of the City, payable from the operation of the City's Truscott Housing Fund and, to the extent such fees are not sufficient, from ad valorem property taxes.

The Series 2009 Bonds are not subject to redemption prior to their respective maturity dates.

6. General Obligation Hydroelectric Bonds, Series 2008

The City issued \$5,500,000 of General Obligation bonds dated September 18, 2008 (the 2008 Bonds). Because the City has determined business-type activities will make principal and interest payments on the 2008 Bonds, this issuance is reported as a business-type long-term liability on the Electric Fund.

Interest rates range from 3.00% to 4.85% and are payable semi-annually on June 1 and December 1, through December 2035. Proceeds from the bonds are planned to be used for the design, construction, and equipping of the Castle Creek Hydroelectric Facility.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

I. Long-term Debt – Business-type Activities (continued)

6 General Obligation Hydroelectric Bonds, Series 2008 (continued)

The 2008 Bonds are payable from certain available fees of the City's Electric Utility System and, to the extent such fees are not sufficient, ad valorem property taxes levied by the City on all taxable property within the boundaries of the City.

The 2008 Bonds maturing on and after December 1, 2019 are subject to redemption prior to maturity at the option of the City at the principal amount thereon (with no redemption premium), plus accrued interest to the redemption date.

J. Long-term Debt – Refunded Bonds

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. The bonds intended to be refunded by the refunding issues remain a contingent liability of the City until retired; however, they are not included for the purposes of calculating debt limitations by the City. The amount of debt considered defeased cannot be readily determined as of December 31, 2016.

K. Long-term Debt – Legal Debt Limits

The City is subject to a legal debt limit for general obligation bonds of 20% of assessed value of real property. In 2016, the City's legal debt limit was \$296,599,682. Additionally, authorized but unissued sales tax debt is \$3,010,000 at December 31, 2016.

L. Long-term Liabilities – Compensated Absences

All regular employees are granted paid time off and extended sick leave. Employees accrue paid time off and extended sick leave according to the following schedule:

<u>Years of Service</u>	<u>Paid Time Off</u>	<u>Extended Sick Leave</u>
0 to 5 years	176 hours per year	40 hours per year
After 5 years	224 hours per year	40 hours per year
Maximum Accrual	328 hours	Unlimited

Police officers are allowed to accrue an additional 64 hours of paid time off in lieu of scheduled holidays. In addition, police officers have a maximum paid time off accrual of 464 hours.

Upon termination, an employee is paid 100% of the accrued paid time off up to the maximum accrual from the fund that paid the employee's salary. Accrued extended sick leave is paid at the ratio of one hour paid for three hours accrued and the accrual is limited to 720 hours, for a maximum payout of 240 hours. In accordance with GAAP, the City's approximate liability, for paid time off and extended sick leave earned by employees at December 31, 2016, has been reflected in the proprietary type fund financial statements and in the governmental activities column of the government-wide financial statements.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

M. Other Post-Employment Benefits

Description of the Plans

1. Retirement Bonus

An employee that meets the rule of 80, attaining any combination of age and years of service totaling 80, and reaches age 55, and completes at least 15 years of continuous service is eligible for retirement. Eligible employees are entitled to a certain number of months of pay, depending on the year in which they become eligible. The retirement bonus liability for all eligible employees is recorded in the proprietary type fund financial statements and in the government-wide financial statements, as a component of the Other Post-Employment Benefits (OPEB) obligation under non-current liabilities.

2. Regular Retiree Medical Coverage

The City acts in a single-employer capacity in providing medical benefits to employees eligible for retirement. The City provides to eligible retirees group sponsored medical coverage up to an annual calendar year benefit maximum of \$30,000 for a period of five years or until age 65, whichever comes first, provided the retiree is not employed with an employer that offers the option to elect medical coverage. Currently, there are 15 employees eligible under this plan and three retirees receiving coverage.

3. Grandfathered Retiree Medical Coverage

Certain employees who are eligible for retirement under the City's Grandfather Clause are eligible to receive group sponsored medical and dental coverage for life, provided the retiree is not employed with an employer that offers the option to elect medical coverage. Upon reaching age 65, Medicare automatically becomes the Grandfathered retiree's primary medical coverage and the City coverage becomes secondary. Currently there are 3 employees eligible under the City's Grandfather Clause and 18 retirees receiving coverage.

Funding Policy

Retired employees under the Regular Plan are required to pay the same amount as current City employees for their respective coverage. Grandfathered retirees are not required to make contributions.

The City implemented GASB 45 effective January 1, 2011 and has been implemented prospectively, therefore, the OPEB obligation at transition is \$0. The OPEB obligation prior to January 1, 2011 was immaterial. The City's Net OPEB obligation is recorded on the government-wide Statement of Net Position and at December 31, 2016 was \$2,571,803.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

N. Long-term Liabilities – Activity and Debt Service Schedules

Long-term liability activity for the year ended December 31, 2016, was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Bonds Payable:					
Revenue Refunding Bonds, Series 2009	4,365,000	-	(680,000)	3,685,000	695,000
Revenue Bonds, Series 2012	5,225,000	-	-	5,225,000	-
Revenue Refunding Bonds, Series 2012	3,950,000	-	(75,000)	3,875,000	75,000
Revenue Refunding Bonds, Series 2013	8,295,000	-	-	8,295,000	-
Revenue Bonds, Series 2014	3,725,000	-	(325,000)	3,400,000	335,000
Revenue Refunding Bonds, Series 2014	1,270,000	-	(85,000)	1,185,000	85,000
Revenue Refunding Bonds, Series 2015	3,287,775	-	(911,550)	2,376,225	929,250
Certificates of Participation:					
Taxable Certificates, Series 2007A	7,240,000	-	(175,000)	7,065,000	180,000
Add Deferred Amounts:					
Issuance premiums	2,471,126	-	(371,460)	2,099,666	-
Total Bonds Payable	39,828,901	-	(2,623,010)	37,205,891	2,299,250
Capital Lease	262,487	-	(36,876)	225,611	38,694
Compensated absences	3,030,404	308,904	(122,735)	3,216,573	1,286,629
Net OPEB obligation	2,166,174	332,376	(215,217)	2,283,333	913,333
Total Governmental Activities					
Long-term Liabilities	45,287,966	641,280	(2,997,838)	42,931,408	4,537,906
Business-Type Activities					
Bonds Payable:					
General Obligation, Series 2008	4,540,000	-	(155,000)	4,385,000	160,000
Refunding Bonds, Series 2009	3,740,000	-	(575,000)	3,165,000	595,000
Refunding Bonds, Series 2011	785,000	-	(410,000)	375,000	375,000
Sales Tax Revenue Bonds:					
Refunding Bonds, Series 2015	427,225	-	(118,450)	308,775	120,750
Add Deferred Amounts:					
Issuance premiums	148,670	-	(48,556)	100,114	-
Total Bonds Payable	9,640,895	-	(1,307,006)	8,333,889	1,250,750
Construction Loan Payable	-	4,644,984	-	4,644,984	-
Note Payable	-	3,855,930	-	3,855,930	-
Compensated absences	593,091	62,232	(11,505)	643,818	257,527
Net OPEB obligation	300,098	4,432	(16,060)	288,470	115,388
Total Business-Type Activities					
Long-term Liabilities	10,534,084	8,567,578	(1,334,571)	17,767,091	1,623,665
Total Government-wide					
Long-term Liabilities	<u>\$ 55,822,050</u>	<u>\$ 9,208,858</u>	<u>\$ (4,332,409)</u>	<u>\$ 60,698,499</u>	<u>\$ 6,161,571</u>

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

N. Long-term Liabilities – Activity and Debt Service Schedules (continued)

For governmental activities, claims and judgments are generally liquidated by the General Fund. Compensated absences are liquidated by the fund that paid the salaries.

Debt service requirements at December 31, 2016, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Governmental Activities:			
2017	\$ 2,337,944	\$ 1,334,053	\$ 3,671,997
2018	2,397,554	1,273,953	3,671,507
2019	2,532,631	1,206,099	3,738,730
2020	2,739,707	1,119,776	3,859,483
2021	2,826,912	1,032,280	3,859,192
2022-2026	13,252,086	3,426,958	16,679,044
2027-2031	5,505,000	1,595,659	7,100,659
2032-2036	3,180,000	577,601	3,757,601
2037-2038	560,000	22,251	582,251
Total Governmental Activities	<u><u>\$ 35,331,834</u></u>	<u><u>\$ 11,588,630</u></u>	<u><u>\$ 46,920,464</u></u>
Business-Type Activities:			
2017	\$ 1,250,750	\$ 326,291	\$ 1,577,041
2018	5,543,034	306,681	5,849,715
2019	869,975	261,381	1,131,356
2020	835,000	227,371	1,062,371
2021	860,000	193,857	1,053,857
2022-2026	1,060,000	719,161	1,779,161
2027-2031	1,320,000	460,440	1,780,440
2032-2036	1,140,000	125,464	1,265,464
2058	3,855,930	24,341	3,880,271
Total Business-Type Activities	<u><u>\$ 16,734,689</u></u>	<u><u>\$ 2,644,987</u></u>	<u><u>\$ 19,379,676</u></u>

O. Burlingame Housing, Inc. – Multifamily Housing Project Revenue Refunding Bonds, Series 2015

On November 12, 2015, \$5,930,000 of Multifamily Housing Project Revenue Refunding Bonds, Series 2015 were issued by the City (cc.ord.039-15) on behalf of Burlingame Housing, Inc. ("Burlingame") to advance refund Burlingame's Multifamily Housing Project Revenue Refunding Bonds, Series 2005 (see Note IV (O)). The 2015 Bonds do not constitute debt or indebtedness of multiple fiscal year financial obligations of the City. The bonds maturing on or after November 1, 2016 are not subject to redemption prior to maturity. The reacquisition price exceeded the net carrying amount of the old debt by \$413,815. This amount is presented as a deferred outflow of resources and is amortized over the remaining life of the refunded debt. The advance refunding was undertaken to reduce total debt service payments by \$860,986 and resulted in an economic gain of \$727,567.

Principal and interest payment dates on the bonds are May 1 and November 1. Interest rates on this issue vary from 2.0% to 3.5%. In the event of default by Burlingame, the City is under no obligation for payments relating to this issue.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

IV. Detailed Notes on All Funds (continued)

P. Burlingame Housing, Inc. – Multifamily Housing Project Revenue Refunding Bonds, Series 2005

On May 11, 2005, \$8,930,000 of Multifamily Housing Project Revenue Refunding Bonds, Series 2005 were issued by the City on behalf of Burlingame Housing, Inc. ("Burlingame") to advance refund Burlingame's Multifamily Housing Project Revenue Bonds, Series 1999A. An Amended and Restated Mortgage and Indenture of Trust was entered into, as of May 1, 2005, by the City, Burlingame, and American National Bank, (the "Trustee") to advance refund all of the outstanding Series 1999A bonds, originally issued for the development and operation of the Burlingame Housing Project. The 2005 Bonds do not constitute debt or indebtedness of multiple fiscal year financial obligations of the City. The bonds maturing on or after November 1, 2020 are subject to redemption prior to maturity, in whole or in part, at the option of Burlingame. Principal and interest payment dates on the bonds are May 1 and November 1. Interest rates on this issue vary from 2.75% to 3.75%. In the event of default by Burlingame, the City is under no obligation for payments relating to this issue.

Q. Burlingame Housing, Inc. – Multifamily Housing Project Revenue Bonds, Series 1999B & 1999C

On December 21, 1999, Burlingame issued Multifamily Housing Project Revenue Bonds, Series 1999B and 1999C in the aggregate principal amount of \$3,345,000 to finance the acquisition and construction of the housing project. The bonds do not constitute debt or indebtedness of multiple fiscal year financial obligations of the City. Upon complete defeasance of the Series 2005 bonds, the 1999B and 1999C bonds can be redeemed at a price equal to the principal. The bonds are non-interest bearing. The City currently holds the 1999B Bonds which are shown as a long-term receivable on the City's financial statements.

R. Burlingame Housing, Inc. – Long Term Liabilities Debt Schedule

Debt service requirements at September 30, 2016, were as follows:

Year Ending September 30,	Series 2015 Bonds		1999B Bonds	1999C Bonds	Total
	Principal	Interest	Principal	Principal	
2017	\$ 370,000	\$ 165,600	\$ -	\$ -	\$ 535,600
2018	365,000	158,250	-	-	523,250
2019	375,000	150,850	-	-	525,850
2020	380,000	143,300	-	-	523,300
2021	390,000	135,600	-	-	525,600
2022-2025	2,100,000	520,125	-	-	2,620,125
2026-2030	1,950,000	139,475	429,250	189,850	2,708,575
2031-2035	-	-	1,889,850	836,050	2,725,900
Total	\$ 5,930,000	\$ 1,413,200	\$ 2,319,100	\$ 1,025,900	\$ 10,688,200

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

V. Detailed Notes on All Funds

A. Deferred Compensation and Pension Plans

1. Employee Deferred Compensation Plans

The City has contracted for the administration of four deferred compensation plans created in accordance with Internal Revenue Code Section 457. The Plan assets are invested with the Equitable Life Assurance Company of the United States (PEDC), Great West Life, International City Management Association Retirement Corporation (ICMARC), and Nationwide Retirement Services. The PEDC, Great West Life, and Nationwide plans have been closed to new employees.

The City has also contracted for the administration of three pension plans in accordance with Internal Revenue Code 401(a) plan. The plan assets are invested with Nationwide Retirement Services and ICMARC, which administers a 401(a) plan for regular employees and a separate 401(a) plan for Police officers.

Contributions to these plans are accounted for in the respective fund where the employee's salary is recorded. The City has a mandatory contribution to the regular employee pension plan, irrespective of a regular employee's participation, equal to 5.5% of the regular employee's salary for the first five years of employment, 6.5% for the next five years and 7.5% per year thereafter. The City's contributions, including interest allocation, for each regular employee hired on or after January 1, 2009 are fully vested after five years of continuous service. Vesting occurs at the rate of 20% per year of service. Upon an employee's separation of employment, all unvested City contributions and interest allocations are forfeited and are required to be used to reduce future City contributions to the plan. The City's contributions for each regular employee hired prior to January 1, 2009 are fully vested upon the employee's start date. The total amount of forfeitures for 2016 was \$34,741. Regular employees can elect to contribute their own deductions to the deferred compensation plan with a combined limit of \$18,000 for 2016. The City also makes a mandatory contribution to a deferred compensation plan for police officers, which is equal to 2.2% of their salary. The assets of the plans are not available to general creditors of the City. The City Council has the authority to change the contributions. For the year ended December 31, 2016, employer plan contributions totaled \$1,171,656 and employee plan contributions totaled \$1,314,762.

2. Police Pension Plan

The City provides pension benefits for full-time police officers through a defined contribution plan contracted and administered through ICMARC. This plan falls under the definition of a Section 401(a) money purchase plan by the Internal Revenue Service. The police department joined the ICMARC plan on January 1, 1985. Police officers are required to join the plan. Under the plan, the City contributes 9.5% of the police officer's salary and the police officer must contribute a minimum of 9% of their annual earnings. After five years of employment, the City contributes 10.5% and after ten years of employment, the City contributes 11.5% of the police officer's salary. The combined contribution cannot exceed 20% of the officer's annual earnings. The City's contributions, including interest allocation, for each police officer are fully vested after five years of continuous service. Vesting occurs at the rate of 20% per year of service. Upon an officer's separation of employment, all unvested City contributions and interest allocations are forfeited and are required to be used to reduce future City contributions to the plan. The total amount of forfeitures for 2016 was \$0. The assets of the plan are not available to general creditors of the City. The City Council has the authority to establish contribution requirements and other provisions.

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

V. Detailed Notes on All Funds

A. Deferred Compensation and Pension Plans

2. Police Pension Plan (continued)

The deferred compensation and pension plans are not available to employees until termination, retirement, death, or unforeseeable emergency. As of December 31, 2016, there were no unfunded deferred compensation or pension funds due to any deferred compensation or pension plans. The City's fiduciary responsibility is limited to acting as an agent for the transfer of assets to ICMARC, Nationwide Retirement Services, PEDC, and Great West Life. The ICMARC, Nationwide Retirement Services, PEDC, and Great West Life are responsible for the investment of the funds as directed by the Plan participants.

For the year ended December 31, 2016, the total covered payroll for both the City employee deferred compensation plan and the police pension plan was \$18,290,841. The City's total payroll was \$20,329,078.

3. Section 125 Plan

The City offers its employees a compensation plan organized under Internal Revenue Code Section 125. This plan includes benefits for dependent care and health expense reimbursement. Because the plan is a salary reduction plan, no cost to the City is recognized.

B. Risk Management

The City is exposed to various risks of loss related to workers compensation, general liability, unemployment, torts, theft of, damage to, and destruction of assets, and errors and omissions. The City carries commercial coverage for these risks and claims and does not expect claims to exceed their coverage.

1. Colorado Intergovernmental Risk Sharing Agency (CIRSA)

The Colorado Intergovernmental Risk Sharing Agency (CIRSA) was formed by an intergovernmental agreement by member public entities pursuant to state statutes.

The purpose of CIRSA is to provide members defined liability and property coverages and to assist members in the prevention and reduction of losses and injuries to municipal property and employees, or to other persons or property, which might result in claims being made against members of CIRSA, their employees or officers.

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

City of Aspen, Colorado
Notes to the Financial Statements
December 31, 2016
(continued)

V. Detailed Notes on All Funds

B. Risk Management (continued)

1. Colorado Intergovernmental Risk Sharing Agency (CIRSA) (continued)

CIRSA is governed by a Board of Directors, who are elected by the membership for two-year terms. All actions of the membership require a 2/3 majority vote of all the members present at a meeting. The scope, terms, conditions, and limitations of the coverages are governed by the applicable coverage policies and/or excess coverage policies, the CIRSA bylaws, and other applicable documents; the types and monetary limits of the coverages are generally described below.

The types of coverages include property, general liability, auto liability, law enforcement liability, public officials' errors and omissions liability, excess liability, crime coverage, and supplemental defense coverage. The 2016 CIRSA self-insured retentions are \$500,000 per claim for property, \$500,000 per claim for liability, and \$150,000 per claim for crime. There were no settled claims that exceeded insurance coverage in the year ended December 31, 2016.

CIRSA carries excess insurance with limits of \$500,500,000 per claim for property, \$10,000,000 per claim for liability (except auto liability which is \$5,000,000 per claim), and \$5,000,000 per claim for crime. The City's deductible for all coverages is \$10,000 per claim except auto liability which is \$5,000 per claim.

City Council approves the City's continued membership in CIRSA via their annual review of the City's budget for the various departments and funds.

2. Worker's Compensation and Health Insurance

In addition to participating in CIRSA, the City maintains a commercial worker's compensation policy.

The City also offers health insurance to certain employees through the City's self-funded health plan with excess coverage underwritten by a commercial carrier. Liabilities for retained risk claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Liabilities include an amount for claims that have been incurred but not reported (IBNRs). The following is a summary of the changes in the balances of claims liabilities during 2016.

	Year Ended 2016	Year Ended 2015
Unpaid claims, beginning of year	\$ 434,739	\$ 532,795
New claims incurred including (IBNRs)	3,784,608	4,173,069
Claim payments	(3,738,583)	(4,271,125)
Unpaid claims, end of year	<u>\$ 480,764</u>	<u>\$ 434,739</u>

3. Commitments and Contingencies

Pending Litigation. The City is a party to various lawsuits which may result in future costs to the City. The office of the City Attorney reports numerous possible contingent liabilities, none of which in their opinion will result in a material loss to the City.

Construction Commitments. At December 31, 2016, the City had various incomplete infrastructure and building projects with remaining estimated costs of \$14.7 million.

4. Subsequent Events After year end (April 26, 2017), The City issued bonds for the construction of the new Police Station (Series 2017) which began in November 2016 and should be completed in May 2018. The total amount of bonds issued with premium is \$20,308,310 with interest only payments beginning in 2017 with principal and interest payments beginning in 2018.

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GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

Nonmajor Special Revenue Funds

The *Tourism/Regional Transportation Fund* accounts for a 2-cent lodging tax imposed to support tourism, marketing, and in-town transportation.

The *Aspen Public Education Special Revenue Fund* accounts for the collection and disbursement of a .3% sales tax for the benefit of the Aspen Education Foundation.

The Renewable Energy Mitigation Program Fund accounts for the collection and disbursement of a building permit fee assessed on certain high energy use installments.

The *Kids First/Daycare Fund* is funded from 55% of the City's 0.45% sales tax and accounts for the City's Kids First Child Care Department, which provides subsidized day care services for over 400 local children.

The *Stormwater Fund* accounts for revenues and expenditures related to a water quality improvement initiative.

CAPITAL PROJECT FUND

Major Capital Projects Fund

The *Asset Management Plan Fund* accounts for capital improvements made to the City's physical assets.

DEBT SERVICE FUND

The *Debt Service Fund* accounts for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

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City of Aspen, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2016

	Special Revenue						
	Tourism/ Regional Transportation Fund	Aspen Public Education Fund	REMP Fund	Kids First/ Daycare Fund	Stormwater Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Assets:							
Cash and investments	\$ 72,099	\$ 87,102	\$ 4,036,958	\$ 5,067,330	\$ 2,636,730	\$ 199,890	\$ 12,100,109
Property tax receivable	-	-	-	-	870,432	-	870,432
Other receivables, net of allowance for uncollectibles	469,266	326,068	-	277,024	-	-	1,072,358
Total Assets	541,365	413,170	4,036,958	5,344,354	3,507,162	199,890	14,042,899
Liabilities, Deferred Inflows of Resources, and Fund Balance:							
Liabilities:							
Accounts payable	323,069	409,057	-	20,639	20,098	-	772,863
Accrued liabilities	-	-	-	6,475	7,019	-	13,494
Deposits	-	-	-	4,449	-	-	4,449
Total Liabilities	323,069	409,057	-	31,563	27,117	-	790,806
Deferred Inflows of Resources:							
Property taxes assessed but not collectible until 2017	-	-	-	-	870,432	-	870,432
Total Deferred Inflows of Resources	-	-	-	-	870,432	-	870,432
Fund Balance:							
Committed	-	-	-	558,508	190,190	-	748,698
Assigned	218,296	4,113	4,036,958	4,754,283	2,419,423	199,890	11,632,963
Total Fund Balance	218,296	4,113	4,036,958	5,312,791	2,609,613	199,890	12,381,661
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 541,365	\$ 413,170	\$ 4,036,958	\$ 5,344,354	\$ 3,507,162	\$ 199,890	\$ 14,042,899

City of Aspen, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2016

	Special Revenue						Total Nonmajor Governmental Funds
	Tourism/ Regional Transportation Fund	Aspen Public Education Fund	REMP Fund	Kids First/ Daycare Fund	Stormwater Fund	Debt Service Fund	
Revenues:							
Taxes:							
Sales/lodging tax	\$ 2,635,944	\$ 2,145,825	\$ -	\$ 1,772,251	\$ -	\$ -	\$ 6,554,020
General property tax	-	-	-	-	823,824	-	823,824
Licenses and permits	-	-	1,601,159	-	141,080	-	1,742,239
Intergovernmental	-	-	-	41,709	-	-	41,709
Refund of expenditures	-	-	-	68,869	10	-	68,879
Investment earnings	1,827	-	4,517	35,317	24,217	-	65,878
Miscellaneous:							
Rents and royalties	-	-	-	175,757	-	594,864	770,621
Contributions	-	-	-	13,700	-	-	13,700
Other	-	-	-	357	-	-	357
Total Revenues	2,637,771	2,145,825	1,605,676	2,107,960	989,131	594,864	10,081,227
Expenditures:							
Current:							
General government	2,637,100	-	-	-	-	4,100	2,641,200
Public works	-	-	-	-	901,413	-	901,413
Public health and welfare	-	2,141,712	1,062,500	1,524,750	-	-	4,728,962
Debt service:							
Principal retirement	-	-	-	-	-	2,251,550	2,251,550
Interest	-	-	-	-	-	1,384,134	1,384,134
Capital Outlay:							
Public works	-	-	-	-	333,691	-	333,691
Total Expenditures	2,637,100	2,141,712	1,062,500	1,524,750	1,235,104	3,639,784	12,240,950
Excess (Deficiency) of Revenues Over Expenditures	671	4,113	543,176	583,210	(245,973)	(3,044,920)	(2,159,723)
Other Financing Sources (Uses):							
Contributions	-	-	3,493,782	-	-	-	3,493,782
Transfers in	-	-	-	-	10,000	3,045,600	3,055,600
Transfers out	(72,540)	-	-	(227,191)	(398,400)	-	(698,131)
Total Other Financing Sources (Uses)	(72,540)	-	3,493,782	(227,191)	(388,400)	3,045,600	5,851,251
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	(71,869)	4,113	4,036,958	356,019	(634,373)	680	3,691,528
Fund Balances - Beginning	290,165	-	-	4,956,772	3,243,986	199,210	8,690,133
Fund Balances - Ending	\$ 218,296	\$ 4,113	\$ 4,036,958	\$ 5,312,791	\$ 2,609,613	\$ 199,890	\$ 12,381,661

City of Aspen, Colorado
Tourism/Regional Transportation Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Lodging tax	\$ 2,419,500	\$ 2,419,500	\$ 2,635,944	\$ 216,444	\$ 3,189,844
Investment earnings	-	-	1,827	1,827	5
Total Revenues	<u>2,419,500</u>	<u>2,419,500</u>	<u>2,637,771</u>	<u>218,271</u>	<u>3,189,849</u>
Expenditures:					
Current:					
General government	2,572,660	2,637,100	2,637,100	-	2,428,100
Total Expenditures	<u>2,572,660</u>	<u>2,637,100</u>	<u>2,637,100</u>	<u>-</u>	<u>2,428,100</u>
Other Financing Sources (Uses):					
Transfers Out	(51,050)	(72,540)	(72,540)	-	(809,330)
Total Other Financing Sources (Uses)	<u>(51,050)</u>	<u>(72,540)</u>	<u>(72,540)</u>	<u>-</u>	<u>(809,330)</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (204,210)</u>	<u>\$ (290,140)</u>	(71,869)	<u>\$ 218,271</u>	(47,581)
Fund Balances - Beginning			<u>290,165</u>		<u>337,746</u>
Fund Balances - Ending			<u>\$ 218,296</u>		<u>\$ 290,165</u>

City of Aspen, Colorado
Aspen Public Education Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales taxes	<u>\$ 2,458,000</u>	<u>\$ 2,458,000</u>	<u>\$ 2,145,825</u>	<u>\$ (312,175)</u>	<u>\$ 2,010,138</u>
Total Revenues	<u>2,458,000</u>	<u>2,458,000</u>	<u>2,145,825</u>	<u>(312,175)</u>	<u>2,010,138</u>
Expenditures:					
Current:					
Public health and welfare	<u>2,458,000</u>	<u>2,458,000</u>	<u>2,141,712</u>	<u>316,288</u>	<u>2,010,138</u>
Total Expenditures	<u>2,458,000</u>	<u>2,458,000</u>	<u>2,141,712</u>	<u>316,288</u>	<u>2,010,138</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>4,113</u>	<u>\$ 4,113</u>	<u>-</u>
Fund Balances - Beginning			<u>-</u>		<u>-</u>
Fund Balances - Ending			<u>\$ 4,113</u>		<u>\$ -</u>

City of Aspen, Colorado
Renewable Energy Mitigation Program Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016

	2016			Final Budget Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Renewable energy mitigation program fees	\$ 1,300,000	\$ 1,300,000	\$ 1,601,159	\$ 301,159
Investment earnings	65,300	65,300	4,517	60,783
Total Revenues	<u>1,365,300</u>	<u>1,365,300</u>	<u>1,605,676</u>	<u>361,942</u>
Expenses:				
Public health and welfare	1,625,000	1,625,000	1,062,500	562,500
Total Expenses	<u>1,625,000</u>	<u>1,625,000</u>	<u>1,062,500</u>	<u>562,500</u>
Excess of Revenues Over Expenditures	<u>(259,700)</u>	<u>(259,700)</u>	<u>543,176</u>	<u>924,442</u>
Other Financing Sources:				
Contributions	-	-	3,493,782	3,493,782
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>3,493,782</u>	<u>3,493,782</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>\$ (259,700)</u>	<u>\$ (259,700)</u>	<u>4,036,958</u>	<u>\$ 4,418,224</u>
Fund Balances - Beginning			<u>-</u>	
Fund Balances - Ending			<u>\$ 4,036,958</u>	

City of Aspen, Colorado
Kids First/Daycare Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
Sales taxes	\$ 1,690,000	\$ 1,690,000	\$ 1,772,251	\$ 82,251	\$ 1,659,894
Intergovernmental:					
State shared revenue	20,000	20,000	41,709	21,709	70,236
Refund of expenditures	63,000	63,000	68,869	5,869	60,425
Investment earnings	43,400	43,400	35,317	(8,083)	36,515
Rents and royalties	178,800	178,800	175,757	(3,043)	172,768
Miscellaneous:					
Contributions	23,000	23,000	13,700	(9,300)	4,000
Other revenue	-	-	357	357	-
Total Revenues	<u>2,018,200</u>	<u>2,018,200</u>	<u>2,107,960</u>	<u>89,760</u>	<u>2,003,838</u>
Expenditures:					
Current:					
Public health and welfare	1,648,230	1,892,940	1,524,750	368,190	1,424,235
Total Expenditures	<u>1,648,230</u>	<u>1,892,940</u>	<u>1,524,750</u>	<u>368,190</u>	<u>1,424,235</u>
Excess of Revenues Over Expenditures	<u>369,970</u>	<u>125,260</u>	<u>583,210</u>	<u>457,950</u>	<u>579,603</u>
Other Financing Sources (Uses):					
Transfers out	(202,300)	(228,550)	(227,191)	1,359	(170,580)
Total Other Financing Sources (Uses)	<u>(202,300)</u>	<u>(228,550)</u>	<u>(227,191)</u>	<u>1,359</u>	<u>(170,580)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ 167,670</u>	<u>\$ (103,290)</u>	356,019	<u>\$ 459,309</u>	409,023
Fund Balances - Beginning			<u>4,956,772</u>		<u>4,547,749</u>
Fund Balances - Ending			<u>\$ 5,312,791</u>		<u>\$ 4,956,772</u>

City of Aspen, Colorado
Stormwater Special Revenue Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
General property tax	\$ 911,400	\$ 911,400	\$ 823,824	\$ (87,576)	\$ 809,028
Licenses and permits	255,900	255,900	141,080	(114,820)	288,357
Investment earnings	18,600	18,600	24,217	5,617	26,928
Refund of expenditures	-	115,000	10	(114,990)	8
Total Revenues	<u>1,185,900</u>	<u>1,300,900</u>	<u>989,131</u>	<u>(311,769)</u>	<u>1,124,321</u>
Expenditures:					
Current:					
Public works	875,070	1,925,610	901,413	1,024,197	566,869
Capital outlay:					
Public works	180,000	426,490	333,691	92,799	45,196
Total Expenditures	<u>1,055,070</u>	<u>2,352,100</u>	<u>1,235,104</u>	<u>1,116,996</u>	<u>612,065</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>130,830</u>	<u>(1,051,200)</u>	<u>(245,973)</u>	<u>805,227</u>	<u>512,256</u>
Other Financing Sources (Uses):					
Transfers in	-	-	10,000	10,000	-
Transfers out	(218,000)	(398,400)	(398,400)	-	(450,990)
Total Other Financing Sources (Uses)	<u>(218,000)</u>	<u>(398,400)</u>	<u>(388,400)</u>	<u>10,000</u>	<u>(450,990)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Financing Uses	<u>\$ (87,170)</u>	<u>\$ (1,449,600)</u>	<u>(634,373)</u>	<u>\$ 815,227</u>	<u>61,266</u>
Fund Balances - Beginning			<u>3,243,986</u>		<u>3,182,720</u>
Fund Balances - Ending			<u>\$ 2,609,613</u>		<u>\$ 3,243,986</u>

City of Aspen, Colorado
Asset Management Plan Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
General property tax	\$ 6,564,000	\$ 6,564,000	\$ 6,513,679	\$ (50,321)	\$ 4,155,912
Licenses and permits	-	36,000	36,000	-	14,212
Intergovernmental:					
Other governmental units	75,000	75,000	75,000	-	-
Refund of expenditures	-	-	855,374	855,374	4,702
Investment earnings	88,600	88,600	147,826	59,226	88,452
Miscellaneous:					
Rents and royalties	85,000	85,000	-	(85,000)	84,714
Payments in lieu of taxes	75,000	75,000	52,286	(22,714)	68,373
Other	-	-	312	312	-
Total Revenues	<u>6,887,600</u>	<u>6,923,600</u>	<u>7,680,477</u>	<u>756,877</u>	<u>4,416,365</u>
Expenditures:					
Current:					
General government	728,565	7,808,405	2,491,785	5,316,620	229,192
Public safety	61,500	328,400	185,346	143,054	-
Public works	436,000	2,347,800	682,761	1,665,039	238,296
Public health and welfare	-	-	-	-	2,781
Culture and recreation	738,178	1,038,384	430,556	607,828	213,010
Capital outlay:					
General government	11,411,698	14,217,634	4,433,250	9,784,384	909,692
Public safety	-	-	-	-	143,949
Public works	2,088,937	2,536,271	2,235,991	300,280	1,340,522
Culture and recreation	174,402	289,746	262,346	27,400	241,804
Total Expenditures	<u>15,639,280</u>	<u>28,566,640</u>	<u>10,722,035</u>	<u>17,844,605</u>	<u>3,319,246</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(8,751,680)</u>	<u>(21,643,040)</u>	<u>(3,041,558)</u>	<u>18,601,482</u>	<u>1,097,119</u>
Other Financing Sources (Uses):					
Proceeds from sale of assets	-	-	15,778	15,778	41,550
Transfers in	3,476,000	4,584,910	4,584,910	-	12,451,000
Transfers out	(181,600)	(323,610)	(176,050)	147,560	(2,391,320)
Total Other Financing Sources (Uses)	<u>3,294,400</u>	<u>4,261,300</u>	<u>4,424,638</u>	<u>163,338</u>	<u>10,101,230</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - Budget Basis	<u>\$ (5,457,280)</u>	<u>\$ (17,381,740)</u>	<u>1,383,080</u>	<u>\$ 18,764,820</u>	<u>11,198,349</u>
Reconciliation to GAAP Basis:					
Interfund advance principal payment			84,197		80,112
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - GAAP Basis			<u>1,467,277</u>		<u>11,278,461</u>
Fund Balances - Beginning			<u>18,447,929</u>		<u>7,169,468</u>
Fund Balances - Ending			<u>\$ 19,915,206</u>		<u>\$ 18,447,929</u>

City of Aspen, Colorado
Debt Service Fund
Statement of Revenues, Expenditures, and Changes in Fund Balances
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Miscellaneous:					
Rents and royalties	\$ 594,860	\$ 594,860	\$ 594,864	\$ 4	\$ 594,863
Total Revenues	<u>594,860</u>	<u>594,860</u>	<u>594,864</u>	<u>4</u>	<u>594,863</u>
Expenditures:					
Current:					
General government	9,400	9,400	4,100	5,300	4,100
Debt service:					
Principal	2,313,400	2,313,400	2,251,550	61,850	2,210,175
Interest	1,384,200	1,384,200	1,384,134	66	1,618,657
Total Expenditures	<u>3,707,000</u>	<u>3,707,000</u>	<u>3,639,784</u>	<u>67,216</u>	<u>3,832,932</u>
Deficiency of Revenues Over Expenditures	<u>(3,112,140)</u>	<u>(3,112,140)</u>	<u>(3,044,920)</u>	<u>67,220</u>	<u>(3,238,069)</u>
Other Financing Sources (Uses):					
Refunding bonds	-	-	-	-	3,287,775
Bond premiums	-	-	-	-	105,911
Payment to refunded bond escrow agent	-	-	-	-	(3,328,773)
Transfers in	3,107,400	3,107,400	3,045,600	(61,800)	3,182,970
Total Other Financing Sources (Uses)	<u>3,107,400</u>	<u>3,107,400</u>	<u>3,045,600</u>	<u>(61,800)</u>	<u>3,247,883</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses)	<u>\$ (4,740)</u>	<u>\$ (4,740)</u>	<u>680</u>	<u>\$ 5,420</u>	<u>9,814</u>
Fund Balances - Beginning			<u>199,210</u>		<u>189,396</u>
Fund Balances - Ending			<u>\$ 199,890</u>		<u>\$ 199,210</u>

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PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The intent of the City is that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Major Enterprise Funds:

The *Water Fund* accounts for the activities of the water utility owned by the City for the delivery of water service to the residents of Aspen. The major sources of revenue are from water user fees, which are used for operations, and from tap fees, which are used for capital improvements and are charged to new or expanded water services in the City.

The *Electric Fund* accounts for the activities of the electric utility and hydroelectric plants operated by the City for the delivery of electric service to a portion of the citizens of Aspen. The major source of revenue is electric service revenue while purchased power is the major expense.

The *Truscott Place Housing Fund* accounts for the operations of Truscott Place affordable rental housing. The complex provides housing for employees of Pitkin County businesses.

Nonmajor Enterprise Funds:

The *Golf Course Fund* accounts for activities of the eighteen-hole golf course owned and operated by the City. The golf course is self sufficient and funded solely from user fees.

The *Parking Fund* is used to account for all costs of in town and on street parking control and services and the operation and maintenance of the Rio Grande Parking Plaza.

The *Marolt Ranch Housing Fund* is used to account for another apartment complex owned by the City. This apartment complex is rented to seasonal workers during the winter and to Aspen Music School students during summer months.

The *ACI Affordable 1 LLLP* accounts for the operations of Aspen Country Inn affordable rental housing. The complex provides housing for employees of Pitkin County businesses and retired Pitkin County residences.

The Si Johnson Ditch Company, Inc. was originated to operate the Si Johnson Ditch Company operation of the Si Johnson ditch.

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City of Aspen, Colorado
Combining Statement of Net Position
Nonmajor Proprietary Funds
December 31, 2016

	Parking Fund	Golf Course Fund	Marolt Housing Fund	ACI Affordable 1 LLLP	Si Johnson Ditch Company, Inc.	Total
Assets:						
Current Assets:						
Cash and investments	\$ 4,648,991	\$ 936,262	\$ 356,910	\$ 697,597	\$ 324,697	\$ 6,964,457
Accounts receivable, net of allowance for uncollectibles	79,860	5,000	106,104	28,935	32,558	252,457
Inventories	-	12,345	-	-	-	12,345
Prepaid Expenses	-	-	-	78	-	78
Total Current Assets	4,728,851	953,607	463,014	726,610	357,255	7,229,337
Noncurrent Assets:						
Capital Assets:						
Land and land rights	-	905,631	250,000	507,493	-	1,663,124
Construction in progress	3,485,439	-	-	6,171,586	-	9,657,025
Buildings	11,880	4,531,001	6,519,383	4,567,437	-	15,629,701
Infrastructure and improvements other than buildings	26,857	620,548	280,709	-	14,042	942,156
Machinery and equipment	2,816,930	961,321	513,243	-	-	4,291,494
Less: accumulated depreciation	(1,571,343)	(3,197,456)	(4,504,674)	(31,909)	-	(9,305,382)
Net Property, Plant, and Equipment	4,769,763	3,821,045	3,058,661	11,214,607	14,042	22,878,118
Total Noncurrent Assets	4,769,763	3,821,045	3,058,661	11,214,607	14,042	22,878,118
Total Assets	9,498,614	4,774,652	3,521,675	11,941,217	371,297	30,107,455
Deferred Outflows of Resources:						
Deferred loss on refunding	-	12,082	24,848	-	-	36,930
Total Deferred Outflows of Resources	-	12,082	24,848	-	-	36,930
Liabilities:						
Current liabilities:						
Accounts payable	79,697	13,189	24,605	2,459,496	345	2,577,332
Accrued liabilities	298,088	7,428	2,516	14,851	500	323,383
Customer deposits	590	-	193,007	57,493	-	251,090
Deferred revenue	-	32,898	75,944	8,197	-	117,039
Advances from other funds	-	117,510	-	-	-	117,510
Compensated absences - current	56,498	31,082	5,199	-	-	92,779
OPEB obligation - current	53,446	30,399	-	-	-	83,845
Revenue bonds - current	-	120,750	375,000	-	-	495,750
Total Current Liabilities	488,319	353,256	676,271	2,540,037	845	4,058,728
Noncurrent Liabilities:						
Compensated absences	84,747	46,624	7,798	-	-	139,169
OPEB obligation	80,168	45,599	-	-	-	125,767
Accrued interest	-	-	-	42,073	-	42,073
Notes Payable	-	-	-	8,500,914	-	8,500,914
Revenue bonds (net of unamortized premium)	-	195,842	6,121	-	-	201,963
Total Noncurrent Liabilities	164,915	288,065	13,919	8,542,987	-	9,009,886
Total Liabilities	653,234	641,321	690,190	11,083,024	845	13,068,614
Net Position:						
Net investment in capital assets	4,769,763	3,516,535	2,702,388	280,344	14,042	11,283,072
Unrestricted	4,075,617	628,878	153,945	577,849	356,410	5,792,699
Total Net Position	\$ 8,845,380	\$ 4,145,413	\$ 2,856,333	\$ 858,193	\$ 370,452	\$ 17,075,771

City of Aspen, Colorado
Combining Statement of Revenues, Expenses, and Changes in Net Position
Nonmajor Proprietary Funds
For the Year Ended December 31, 2016

	Parking Fund	Golf Course Fund	Marolt Housing Fund	ACI Affordable 1 LLLP	Si Johnson Ditch Company, Inc.	Total
Operating Revenues:						
Charges for services:						
Parking Sales	3,284,079	-	-	-	-	3,284,079
Fines	568,446	-	-	-	-	568,446
Golf sales	-	1,643,988	-	-	-	1,643,988
Ditch Assessment	-	-	-	-	76,366	76,366
Total charges for services	<u>3,852,525</u>	<u>1,643,988</u>	<u>-</u>	<u>-</u>	<u>76,366</u>	<u>5,572,879</u>
Miscellaneous:						
Intergovernmental	-	-	95,760	-	-	95,760
Rents and royalties	97,609	47,585	977,532	94,759	-	1,217,485
Other	15,379	8,210	66,540	3,973	-	94,102
Total miscellaneous	<u>112,988</u>	<u>55,795</u>	<u>1,139,832</u>	<u>98,732</u>	<u>-</u>	<u>1,407,347</u>
Total Operating Revenues	<u>3,965,513</u>	<u>1,699,783</u>	<u>1,139,832</u>	<u>98,732</u>	<u>76,366</u>	<u>6,980,226</u>
Operating Expenses:						
Personnel services	1,069,562	739,178	181,433	-	-	1,990,173
General operations	1,143,522	606,013	393,938	52,270	39,914	2,235,657
Asset management fee	-	-	-	3,000	-	3,000
Depreciation	290,965	188,980	239,018	31,909	-	750,872
Total Operating Expenses	<u>2,504,049</u>	<u>1,534,171</u>	<u>814,389</u>	<u>87,179</u>	<u>39,914</u>	<u>4,979,702</u>
Operating Income	<u>1,461,464</u>	<u>165,612</u>	<u>325,443</u>	<u>11,553</u>	<u>36,452</u>	<u>2,000,524</u>
Non-Operating Revenues (Expenses):						
Investment earnings	31,250	5,259	3,411	178	-	40,098
Gain on disposal of assets	-	808	-	-	-	808
Debt issuance cost	-	-	-	(110,031)	-	(110,031)
Interest expense	-	(6,694)	(34,552)	(24,341)	-	(65,587)
Total Non-Operating Revenues (Expenses)	<u>31,250</u>	<u>(627)</u>	<u>(31,141)</u>	<u>(134,194)</u>	<u>-</u>	<u>(134,712)</u>
Income Before Transfers	<u>1,492,714</u>	<u>164,985</u>	<u>294,302</u>	<u>(122,641)</u>	<u>36,452</u>	<u>1,865,812</u>
Capital contributions	-	-	-	980,834	334,000	1,314,834
Transfers in	-	483,950	-	-	-	483,950
Transfers out	<u>(489,450)</u>	<u>(329,553)</u>	<u>(60,000)</u>	<u>-</u>	<u>-</u>	<u>(879,003)</u>
Change in Net Position	<u>1,003,264</u>	<u>319,382</u>	<u>234,302</u>	<u>858,193</u>	<u>370,452</u>	<u>2,785,593</u>
Net Position - Beginning	<u>7,842,116</u>	<u>3,826,031</u>	<u>2,622,031</u>	<u>-</u>	<u>-</u>	<u>14,290,178</u>
Net Position - Ending	<u>\$ 8,845,380</u>	<u>\$ 4,145,413</u>	<u>\$ 2,856,333</u>	<u>\$ 858,193</u>	<u>\$ 370,452</u>	<u>\$ 17,075,771</u>

City of Aspen, Colorado
Combining Statement of Cash Flows
Nonmajor Proprietary Funds
For the Year Ended December 31, 2016

	Parking Fund	Golf Course Fund	Marolt Housing Fund	ACI Affordable 1 LLLP	Si Johnson Ditch Company, Inc.	Total
Cash Flows from Operating Activities:						
Cash received from customers and others	\$ 3,782,747	\$ 1,657,252	\$ 1,129,152	\$ 131,514	\$ 43,808	\$ 6,744,473
Other operating cash receipts	112,988	55,795	-	3,973	-	172,756
Cash payments to vendors for goods and services	(1,972,426)	(1,337,469)	(564,303)	1,313,721	(39,070)	(2,599,547)
Cash payments to employees for services	(1,083,998)	(6,379)	4,348	-	-	(1,086,029)
Net Cash Provided by Operating Activities	839,311	369,199	569,197	1,449,208	4,738	3,231,653
Cash Flows from Non-Capital Financing Activities:						
Transfers from other funds	-	483,950	-	-	-	483,950
Transfers to other funds	(489,450)	(337,630)	(60,000)	-	-	(887,080)
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	(489,450)	146,320	(60,000)	-	-	(403,130)
Cash Flows from Capital and Related Financing Activities:						
Sale of assets	-	3,205	-	-	-	3,205
Acquisition of capital assets	(989,055)	(95,414)	(44,250)	(5,066,308)	319,959	(5,875,068)
Contributions	-	-	-	473,341	-	473,341
Notes payable proceeds	-	-	-	3,823,446	-	3,823,446
Principal payments	-	(118,450)	(410,000)	-	-	(528,450)
Interest paid on debt	-	(8,913)	(23,200)	17,732	-	(14,381)
Net Cash Used by Capital and Related Financing Activities	(989,055)	(219,572)	(477,450)	(751,789)	319,959	(2,117,907)
Cash Flows from Investing Activities:						
Interest received - unrestricted	31,250	5,259	3,411	178	-	8,848
Net Cash Provided by Investing Activities	31,250	5,259	3,411	178	-	8,848
Net Increase (Decrease) in Cash	(607,944)	301,206	35,158	697,597	324,697	750,714
Cash - Beginning of Year	5,256,935	635,056	321,752	-	-	6,213,743
Cash - End of Year	4,648,991	936,262	356,910	697,597	324,697	6,964,457
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:						
Operating income	1,461,464	165,612	325,443	11,553	36,452	2,000,524
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation	290,965	188,980	239,018	31,909	-	750,872
Changes in Assets and Liabilities:						
(Increase) decrease in accounts receivable	(69,978)	7,714	(72,014)	(28,935)	(32,558)	(195,771)
Decrease in inventories	-	10,228	-	-	-	10,228
Increase in prepaid expenses	-	-	-	(78)	-	(78)
Increase (decrease) in accounts payable	(883,413)	(2,506)	12,795	1,354,218	344	481,438
Increase (decrease) in accrued liabilities	40,073	(829)	74,950	14,851	500	129,545
Increase (decrease) in customer deposits	200	-	(10,995)	65,690	-	54,895
Net Cash Provided by Operating Activities	\$ 839,311	\$ 369,199	\$ 569,197	\$ 1,449,208	\$ 4,738	\$ 3,231,653

City of Aspen, Colorado
Water Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Water sales	\$ 5,630,000	\$ 5,630,000	\$ 5,670,538	\$ 40,538	\$ 5,244,150
Development review fees	370,000	370,000	547,602	177,602	663,720
Miscellaneous:					
Rents and royalties	6,600	6,600	7,095	495	6,050
Other revenues	75,700	118,220	184,738	66,518	133,805
Other resources:					
Investment earnings	16,000	16,000	21,333	5,333	21,287
Sale of assets	-	-	-	-	10,499
Total Revenues	<u>6,098,300</u>	<u>6,140,820</u>	<u>6,431,306</u>	<u>290,486</u>	<u>6,079,511</u>
Expenses:					
Operating:					
Personnel services	2,819,550	2,832,550	2,732,387	100,163	2,468,224
Purchased services	886,000	891,000	1,007,070	(116,070)	884,698
Materials and supplies	1,883,300	3,159,990	902,495	2,257,495	743,691
Contingency	-	42,090	-	42,090	-
Capital expenses:					
Property, plant, and equipment	290,000	290,000	226,712	63,288	213,039
Total Expenses	<u>5,878,850</u>	<u>7,215,630</u>	<u>4,868,664</u>	<u>2,346,966</u>	<u>4,309,652</u>
Income (Loss) Before Contributions and Transfers	<u>219,450</u>	<u>(1,074,810)</u>	<u>1,562,642</u>	<u>2,637,452</u>	<u>1,769,859</u>
Capital contributions (tap fees)	2,174,000	2,174,000	1,388,642	(785,358)	851,030
Transfers in	385,000	385,000	385,000	-	560,474
Transfers out	<u>(1,625,000)</u>	<u>(2,086,380)</u>	<u>(2,086,380)</u>	<u>-</u>	<u>(1,820,760)</u>
Change in Net Position - Budget Basis	<u>\$ 1,153,450</u>	<u>\$ (602,190)</u>	<u>1,249,904</u>	<u>\$ 1,852,094</u>	<u>1,360,603</u>
Reconciliation to GAAP Basis:					
Capitalized expenses			226,712		213,039
Change in compensated absences			(46,622)		(26,833)
Change in OPEB obligation			(109)		(38,885)
Loss on disposition of assets			-		(8,515)
Depreciation			<u>(974,450)</u>		<u>(1,017,029)</u>
Change in Net Position - GAAP Basis			<u>455,435</u>		<u>482,380</u>
Net Position - Beginning			<u>19,670,476</u>		<u>19,188,096</u>
Net Position - Ending			<u>\$ 20,125,911</u>		<u>\$ 19,670,476</u>

City of Aspen, Colorado
Electric Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Electric sales	\$ 8,120,900	\$ 8,158,900	\$ 8,029,034	\$ (129,866)	\$ 7,630,163
Grants:					
Nongovernmental grants	-	-	75,623	75,623	22,072
Miscellaneous:					
Other revenues	76,100	76,100	84,289	8,189	73,866
Other resources:					
Investment earnings	42,500	42,500	35,639	(6,861)	44,592
Total Revenues	<u>8,239,500</u>	<u>8,277,500</u>	<u>8,224,585</u>	<u>(52,915)</u>	<u>7,770,693</u>
Expenses:					
Operating:					
Personnel services	1,085,520	1,098,520	1,068,875	29,645	950,928
Purchased services	5,021,050	5,287,050	5,081,443	205,607	4,685,347
Materials and supplies	574,200	760,180	302,584	457,596	812,468
Contingency	-	94,250	13,735	80,515	-
Capital expenses:					
Property, plant, and equipment	477,000	713,250	419,542	293,708	125,089
Debt service:					
Principal	155,000	155,000	155,000	-	150,000
Interest	201,400	201,400	201,305	95	206,555
Total Expenses	<u>7,514,170</u>	<u>8,309,650</u>	<u>7,242,484</u>	<u>1,067,166</u>	<u>6,930,387</u>
Income (Loss) Before Contributions and Transfers	<u>725,330</u>	<u>(32,150)</u>	<u>982,101</u>	<u>1,014,251</u>	<u>840,306</u>
Transfers in	-	-	-	-	139,092
Transfers out	<u>(1,032,000)</u>	<u>(1,080,690)</u>	<u>(1,080,690)</u>	<u>-</u>	<u>(1,154,819)</u>
Change in Net Position - Budget Basis	<u>\$ (306,670)</u>	<u>\$ (1,112,840)</u>	<u>(98,589)</u>	<u>\$ 1,014,251</u>	<u>(175,421)</u>
Reconciliation to GAAP Basis:					
Debt principal payments			155,000		150,000
Debt accrued interest			1,650		1,677
Change in compensated absences			(2,198)		(5,455)
Change in OPEB obligation			1,813		(37,987)
Depreciation			<u>(915,800)</u>		<u>(1,156,319)</u>
Change in Net Position - GAAP Basis			<u>(438,582)</u>		<u>(1,098,416)</u>
Net Position - Beginning			<u>15,209,966</u>		<u>16,308,382</u>
Net Position - Ending			<u>\$ 14,771,384</u>		<u>\$ 15,209,966</u>

City of Aspen, Colorado
Truscott Place Housing Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Operating revenues:					
Rents and royalties	\$ 1,166,500	\$ 1,166,500	\$ 1,163,131	\$ (3,369)	\$ 1,086,887
Other revenues	37,700	37,700	52,071	14,371	39,025
Grants:					
Nongovernmental grants	-	319,460	320,321	861	-
Other resources:					
Investment earnings	4,100	4,100	10,831	6,731	14,306
Total Revenues	<u>1,208,300</u>	<u>1,527,760</u>	<u>1,546,354</u>	<u>18,594</u>	<u>1,140,218</u>
Expenses:					
Operating:					
Personnel services	245,340	245,340	247,006	(1,666)	263,935
Purchased services	305,670	303,130	287,203	15,927	273,714
Materials and supplies	238,550	601,230	435,287	165,943	106,202
Capital expenses:					
Property, plant, and equipment	-	472,700	333,601	139,099	1,328,511
Debt service:					
Principal	575,000	575,000	575,000	-	565,000
Interest	134,600	134,600	134,575	25	147,288
Total Expenses	<u>1,499,160</u>	<u>2,332,000</u>	<u>2,012,672</u>	<u>319,328</u>	<u>2,684,650</u>
Loss Before Transfers	<u>(290,860)</u>	<u>(804,240)</u>	<u>(466,318)</u>	<u>337,922</u>	<u>(1,544,432)</u>
Transfers in	250,000	295,000	295,000	-	1,350,000
Transfers out	<u>(150,000)</u>	<u>(150,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>(127,000)</u>
Change in Net Position - Budget Basis	<u>\$ (190,860)</u>	<u>\$ (659,240)</u>	<u>(321,318)</u>	<u>\$ 337,922</u>	<u>(321,432)</u>
Reconciliation to GAAP Basis:					
Debt principal payments			575,000		565,000
Debt accrued interest			(11,087)		(7,623)
Capitalized expenses			333,601		1,328,511
Change in compensated absences			(4,623)		3,230
Depreciation			<u>(593,992)</u>		<u>(394,934)</u>
Change in Net Position- GAAP Basis			<u>(22,419)</u>		<u>1,172,752</u>
Net Position - Beginning			<u>8,495,889</u>		<u>7,323,137</u>
Net Position - Ending			<u>\$ 8,473,470</u>		<u>\$ 8,495,889</u>

City of Aspen, Colorado
Parking Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Parking sales	\$ 2,776,500	\$ 2,926,500	\$ 3,284,079	\$ 357,579	\$ 2,983,330
Fines	681,400	681,400	568,446	(112,954)	671,813
Miscellaneous:					
Rents and royalties	93,000	93,000	97,609	4,609	96,999
Other revenues	2,000	2,000	15,379	13,379	53,147
Other resources:					
Investment earnings	25,300	25,300	31,250	5,950	50,111
Sale of fixed assets	-	-	-	-	4,000
Total Revenues	<u>3,578,200</u>	<u>3,728,200</u>	<u>3,996,763</u>	<u>268,563</u>	<u>3,859,400</u>
Expenses:					
Operating:					
Personnel services	1,081,210	1,106,210	1,076,328	29,882	959,718
Purchased services	689,790	732,820	741,666	(8,846)	626,427
Materials and supplies	170,970	481,440	401,856	79,584	218,927
Contingency	-	133,180	-	133,180	-
Capital expenses:					
Property, plant, and equipment	511,920	1,056,940	989,054	67,886	5,796,846
Total Expenses	<u>2,453,890</u>	<u>3,510,590</u>	<u>3,208,904</u>	<u>301,686</u>	<u>7,601,918</u>
Income (Loss) Before Contributions and Transfers	<u>1,124,310</u>	<u>217,610</u>	<u>787,859</u>	<u>570,249</u>	<u>(3,742,518)</u>
Transfers in	-	-	-	-	3,281,140
Transfers out	(437,000)	(489,450)	(489,450)	-	(437,580)
Change in Net Position - Budget Basis	<u>\$ 687,310</u>	<u>\$ (271,840)</u>	298,409	<u>\$ 570,249</u>	(898,958)
Reconciliation to GAAP Basis:					
Transfer of assets			-		(3,561,193)
Capitalized expenses			989,054		5,796,846
Change in compensated absences			(5,126)		(5,521)
Change in OPEB obligation			11,892		(100,709)
Depreciation			(290,965)		(220,380)
Change in Net Position - GAAP Basis			1,003,264		1,010,085
Net Position - Beginning			<u>7,842,116</u>		<u>6,832,031</u>
Net Position - Ending			<u>\$ 8,845,380</u>		<u>\$ 7,842,116</u>

City of Aspen, Colorado
Golf Course Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Charges for services:					
Golf sales	\$ 1,604,000	\$ 1,604,000	\$ 1,643,988	\$ 39,988	\$ 1,653,134
Miscellaneous:					
Rents and royalties	37,810	37,810	47,585	9,775	40,635
Other revenues	300	300	8,210	7,910	3,012
Other resources:					
Investment earnings	3,500	3,500	5,259	1,759	4,631
Sale of assets	-	-	3,101	3,101	1,577
Total Revenues	<u>1,645,610</u>	<u>1,645,610</u>	<u>1,708,143</u>	<u>62,533</u>	<u>1,702,989</u>
Expenses:					
Operating:					
Personnel services	776,740	776,740	748,133	28,607	705,469
Purchased services	348,870	348,870	281,702	67,168	286,869
Materials and supplies	426,610	506,900	324,311	182,589	269,142
Capital expenses:					
Property, plant, and equipment	129,400	210,810	95,414	115,396	88,696
Debt service:					
Principal	126,650	126,650	118,450	8,200	109,825
Interest	8,950	8,950	8,913	37	26,064
Total Expenses	<u>1,817,220</u>	<u>1,978,920</u>	<u>1,576,923</u>	<u>401,997</u>	<u>1,486,065</u>
Income (Loss) Before Transfers	<u>(171,610)</u>	<u>(333,310)</u>	<u>131,220</u>	<u>464,530</u>	<u>216,924</u>
Transfers in	476,950	491,950	483,950	(8,000)	367,100
Transfers out	<u>(304,900)</u>	<u>(337,630)</u>	<u>(337,630)</u>	<u>-</u>	<u>(312,310)</u>
Change in Net Position - Budget Basis	<u>\$ 440</u>	<u>\$ (178,990)</u>	<u>277,540</u>	<u>\$ 456,530</u>	<u>271,714</u>
Reconciliation to GAAP Basis:					
Debt principal payments			118,450		109,825
Debt accrued interest			2,219		2,905
Interfund loan principal payments			8,077		7,766
Capitalized expenses			95,414		88,696
Change in compensated absences			10,901		10,850
Change in OPEB obligation			(1,946)		2,107
Gain on disposition of assets			(2,293)		-
Depreciation			<u>(188,980)</u>		<u>(208,247)</u>
Change in Net Position - GAAP Basis			<u>319,382</u>		<u>285,616</u>
Net Position - Beginning			<u>3,826,031</u>		<u>3,540,415</u>
Net Position - Ending			<u>\$ 4,145,413</u>		<u>\$ 3,826,031</u>

City of Aspen, Colorado
Marolt Ranch Housing Enterprise Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Operating revenues:					
Rents and royalties	\$ 904,000	\$ 904,000	\$ 977,532	\$ 73,532	\$ 904,010
Other revenues	37,750	37,750	66,540	28,790	58,388
Grants:					
Nongovernmental grants	-	95,760	95,760	-	-
Other resources:					
Investment earnings	300	300	3,411	3,111	2,979
Total Revenues	<u>942,050</u>	<u>1,037,810</u>	<u>1,143,243</u>	<u>105,433</u>	<u>965,377</u>
Expenses:					
Operating:					
Personnel services	217,980	217,980	178,351	39,629	188,692
Purchased services	188,420	188,420	195,472	(7,052)	182,372
Materials and supplies	171,440	275,100	198,466	76,634	77,408
Capital expenses:					
Property, plant, and equipment	49,000	49,000	44,250	4,750	46,517
Debt service:					
Principal	410,000	410,000	410,000	-	400,000
Interest	23,200	23,200	23,200	-	31,200
Total Expenses	<u>1,060,040</u>	<u>1,163,700</u>	<u>1,049,739</u>	<u>113,961</u>	<u>926,189</u>
Income (Loss) Before Transfers	<u>(117,990)</u>	<u>(125,890)</u>	<u>93,504</u>	<u>219,394</u>	<u>39,188</u>
Transfers in	275,000	275,000	-	(275,000)	-
Transfers out	<u>(60,000)</u>	<u>(60,000)</u>	<u>(60,000)</u>	<u>-</u>	<u>(54,000)</u>
Change in Net Position - Budget Basis	<u>\$ 97,010</u>	<u>\$ 89,110</u>	<u>33,504</u>	<u>\$ (55,606)</u>	<u>(14,812)</u>
Reconciliation to GAAP Basis:					
Debt principal payments			410,000		400,000
Debt accrued interest			(11,352)		(4,839)
Capitalized expenses			44,250		46,517
Change in compensated absences			(3,082)		2,700
Depreciation			<u>(239,018)</u>		<u>(231,025)</u>
Change in Net Position - GAAP Basis			<u>234,302</u>		<u>198,541</u>
Net Position - Beginning			<u>2,622,031</u>		<u>2,423,490</u>
Net Position - Ending			<u>\$ 2,856,333</u>		<u>\$ 2,622,031</u>

City of Aspen, Colorado
ACI Affordable 1 LLLP
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016

	2016			Final Budget Variance Positive Negative
	Original Budget	Final Budget	Actual	(Negative)
Revenues:				
Rents and royalties	\$ -	\$ 98,900	\$ 94,759	\$ (4,141)
Other income	-	-	3,973	3,973
Investment earnings	-	-	178	178
Total Revenues	<u>-</u>	<u>98,900</u>	<u>98,910</u>	<u>10</u>
Expenses:				
Operating expenses	-	54,400	52,270	2,130
Asset management fee	-	3,000	3,000	-
Capital expenses:				
Property, plant, and equipment	-	14,688,890	10,438,662	4,250,228
Debt service:				
Debt issuance costs	-	-	110,031	(110,031)
Interest	-	-	6,609	(6,609)
Total Expenses	<u>-</u>	<u>14,746,290</u>	<u>10,610,572</u>	<u>4,135,718</u>
Income (Loss) Before Contributions	<u>-</u>	<u>(14,647,390)</u>	<u>(10,511,662)</u>	<u>4,135,728</u>
Debt issuance	-	14,688,890	4,644,984	(10,043,906)
Contributions	-	-	980,834	980,834
Change in Net Position - Budget Basis	<u>\$ -</u>	<u>\$ 41,500</u>	<u>(4,885,844)</u>	<u>\$ (4,927,344)</u>
Reconciliation to GAAP Basis:				
Debt issuance			(4,644,984)	
Debt accrued interest			(17,732)	
Capitalized expenses			10,438,662	
Depreciation			(31,909)	
Change in Net Position - GAAP Basis			858,193	
Net Position - Beginning			-	
Net Position - Ending			<u>\$ 858,193</u>	

City of Aspen, Colorado
Si Johnson Ditch Company, Inc.
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016

	2016			Final Budget Variance Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Operating revenues:				
Ditch assessments	\$ 68,375	\$ 68,375	\$ 76,366	\$ 7,991
Total Revenues	<u>68,375</u>	<u>68,375</u>	<u>76,366</u>	<u>7,991</u>
Expenses:				
Operating:				
Purchased services	41,900	-	37,043	(37,043)
Materials and supplies	225	225	-	225
Contingency	11,250	-	2,871	(2,871)
Capital expenses:				
Property, plant, and equipment	15,000	-	14,041	(14,041)
Total Expenses	<u>68,375</u>	<u>225</u>	<u>53,955</u>	<u>(53,730)</u>
Income (Loss) Before Transfers	<u>-</u>	<u>68,150</u>	<u>22,411</u>	<u>(45,739)</u>
Capital contributions	<u>-</u>	<u>-</u>	<u>334,000</u>	<u>334,000</u>
Change in Net Position - Budget Basis	<u>\$ -</u>	<u>\$ 68,150</u>	<u>356,411</u>	<u>\$ 288,261</u>
Reconciliation to GAAP Basis:				
Capitalized expenses			<u>14,041</u>	
Change in Net Position - GAAP Basis			<u>370,452</u>	
Net Position - Beginning			<u>-</u>	
Net Position - Ending			<u>\$ 370,452</u>	

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INTERNAL SERVICE FUNDS

The *Health Insurance Internal Service Fund* accounts for health insurance contributions and claims paid to beneficiaries provided to other departments or agencies of the City, or to other governments, on a cost reimbursement basis.

The *Employee Housing Internal Service Fund* accounts for current maintenance and future construction of all rental and sale units for City Employees.

The *Information Technology Internal Service Fund* accounts for the implementation, management, and support of computer and telephone technology to City and Pitkin County departments, as well as accounts for GIS services.

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City of Aspen, Colorado
Combining Statement of Net Position
Internal Service Funds
December 31, 2016

	Health Insurance Fund	Employee Housing Fund	Information Technology Fund	Total
Assets:				
Current Assets:				
Cash and investments	\$ 3,033,168	\$ 4,939,393	\$ 937,853	\$ 8,910,414
Accounts receivable, net of allowance for uncollectibles	199,840	39,595	-	239,435
Inventories	-	162,584	-	162,584
Prepaid expenses	3,796	-	-	3,796
Total Current Assets	<u>3,236,804</u>	<u>5,141,572</u>	<u>937,853</u>	<u>9,316,229</u>
Noncurrent Assets:				
Capital Assets:				
Buildings	-	1,165,820	-	1,165,820
Infrastructure and improvements other than buildings	-	-	616,907	616,907
Machinery and equipment	-	-	1,422,859	1,422,859
Less: accumulated depreciation	-	(33,536)	(1,401,964)	(1,435,500)
Net Property, Plant, and Equipment	-	1,132,284	637,802	1,770,086
Total Noncurrent Assets	<u>-</u>	<u>1,132,284</u>	<u>637,802</u>	<u>1,770,086</u>
Total Assets	<u>3,236,804</u>	<u>6,273,856</u>	<u>1,575,655</u>	<u>11,086,315</u>
Liabilities:				
Current liabilities:				
Accounts payable	577,807	50,874	9,567	638,248
Accrued liabilities	17,710	267	8,752	26,729
Customer deposits	-	1,300	-	1,300
Compensated absences - current	-	-	44,747	44,747
OPEB obligation - current	-	-	72,476	72,476
Total Current Liabilities	<u>595,517</u>	<u>52,441</u>	<u>135,542</u>	<u>783,500</u>
Noncurrent Liabilities:				
Compensated absences	-	-	67,120	67,120
OPEB obligation	-	-	108,714	108,714
Total Noncurrent Liabilities	<u>-</u>	<u>-</u>	<u>175,834</u>	<u>175,834</u>
Total Liabilities	<u>595,517</u>	<u>52,441</u>	<u>311,376</u>	<u>959,334</u>
Net Position:				
Net investment in capital assets	-	1,132,284	637,802	1,770,086
Unrestricted	2,641,287	5,089,131	626,477	8,356,895
Total Net Position	<u>\$ 2,641,287</u>	<u>\$ 6,221,415</u>	<u>\$ 1,264,279</u>	<u>\$ 10,126,981</u>

City of Aspen, Colorado
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended December 31, 2016

	Health Insurance Fund	Employee Housing Fund	Information Technology Fund	Total
Operating Revenues:				
Premium contributions	\$ 4,407,427	\$ -	\$ -	\$ 4,407,427
Sale of affordable housing units	-	92,502	-	92,502
Charges for services	-	-	42,780	42,780
Miscellaneous:				
Rents and royalties	-	98,033	-	98,033
Claims reimbursement	534,996	-	-	534,996
Refund of expenditure	-	49	1,169,010	1,169,059
Other miscellaneous revenue	239	-	-	239
Total Operating Revenues	<u>4,942,662</u>	<u>190,584</u>	<u>1,211,790</u>	<u>6,345,036</u>
Operating Expenses:				
Personnel services	186,586	35,897	663,656	886,139
General operations	4,736,207	403,500	359,418	5,499,125
Cost of units sold	-	86,785	-	86,785
Depreciation	-	27,829	199,902	227,731
Total Operating Expenses	<u>4,922,793</u>	<u>554,011</u>	<u>1,222,976</u>	<u>6,699,780</u>
Operating Income (Loss)	<u>19,869</u>	<u>(363,427)</u>	<u>(11,186)</u>	<u>(354,744)</u>
Non-Operating Revenues (Expenses):				
Earnings on investments	20,320	35,820	6,478	62,618
Total Non-Operating Revenues (Expenses)	<u>20,320</u>	<u>35,820</u>	<u>6,478</u>	<u>62,618</u>
Income (Loss) Before Transfers	<u>40,189</u>	<u>(327,607)</u>	<u>(4,708)</u>	<u>(292,126)</u>
Transfers in	-	1,426,000	-	1,426,000
Transfers out	-	(4,060)	(151,560)	(155,620)
Change in Net Position	40,189	1,094,333	(156,268)	978,254
Net Position - Beginning	<u>2,601,098</u>	<u>5,127,082</u>	<u>1,420,547</u>	<u>9,148,727</u>
Net Position - Ending	<u>\$ 2,641,287</u>	<u>\$ 6,221,415</u>	<u>\$ 1,264,279</u>	<u>\$ 10,126,981</u>

City of Aspen, Colorado
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended December 31, 2016

	Health Insurance Fund	Employee Housing Fund	Information Technology Fund	Total
Cash Flows from Operating Activities:				
Cash received from customers and others	\$ 5,093,318	\$ 58,506	\$ 1,211,790	\$ 6,363,614
Cash payments to vendors for goods and services	(4,617,559)	(357,982)	(351,014)	(5,326,555)
Cash payments to employees for services	(186,532)	(35,630)	(650,295)	(872,457)
Net Cash Provided (Used) by Operating Activities	<u>289,227</u>	<u>(335,106)</u>	<u>210,481</u>	<u>164,602</u>
Cash Flows from Non-Capital Financing Activities:				
Transfers from other funds	-	1,426,000	-	1,426,000
Transfers to other funds	-	(4,060)	(151,560)	(155,620)
Net Cash Provided (Used) by Non-Capital and Related Financing Activities	<u>-</u>	<u>1,421,940</u>	<u>(151,560)</u>	<u>1,270,380</u>
Cash Flows from Capital and Related Financing Activities:				
Cash paid for acquisition of assets	-	(880,470)	-	(880,470)
Net Cash Used by Capital and Related Financing Activities	<u>-</u>	<u>(880,470)</u>	<u>-</u>	<u>(880,470)</u>
Cash Flows from Investing Activities:				
Interest received - unrestricted	20,320	35,820	6,478	62,618
Net Cash Provided by Investing Activities	<u>20,320</u>	<u>35,820</u>	<u>6,478</u>	<u>62,618</u>
Net Increase (Decrease) in Cash	309,547	242,184	65,399	617,130
Cash - Beginning of Year	2,723,621	4,697,209	872,454	8,293,284
Cash - End of Year	<u>3,033,168</u>	<u>4,939,393</u>	<u>937,853</u>	<u>8,910,414</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating income (loss)	19,869	(363,427)	(11,186)	(354,744)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation	-	27,829	199,902	227,731
Changes in Assets and Liabilities:				
(Increase) decrease in accounts receivable	150,656	(39,576)	-	111,080
(Increase) in prepaid expenses	(3,796)	-	-	(3,796)
(Increase) in inventories	-	(6,411)	-	(6,411)
Increase in accounts payable	111,541	46,576	9,568	167,685
Increase (decrease) in accrued liabilities	10,957	(97)	12,197	23,057
Net Cash Provided (Used) by Operating Activities	<u>\$ 289,227</u>	<u>\$ (335,106)</u>	<u>\$ 210,481</u>	<u>\$ 164,602</u>

City of Aspen, Colorado
Health Insurance Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Operating:					
Premium contributions	\$ 4,528,500	\$ 4,528,500	\$ 4,407,427	\$ (121,073)	\$ 4,214,482
Claims reimbursement	300,000	300,000	534,996	234,996	649,504
Miscellaneous:					
Other revenues	-	-	239	239	245
Other resources:					
Investment earnings	25,000	25,000	20,320	(4,680)	23,401
Total Revenues	<u>4,853,500</u>	<u>4,853,500</u>	<u>4,962,982</u>	<u>109,482</u>	<u>4,887,632</u>
Expenses:					
Operating:					
Premiums and claims paid	4,858,000	4,858,000	4,579,031	278,969	4,173,069
Personnel services	223,520	223,520	186,586	36,934	180,458
Purchased services	80,480	80,480	157,176	(76,696)	769,449
Total Expenses	<u>5,162,000</u>	<u>5,162,000</u>	<u>4,922,793</u>	<u>239,207</u>	<u>5,122,976</u>
Change in Net Position	<u>\$ (308,500)</u>	<u>\$ (308,500)</u>	40,189	<u>\$ 348,689</u>	(235,344)
Net Position - Beginning			2,601,098		2,836,442
Net Position - Ending			<u>\$ 2,641,287</u>		<u>\$ 2,601,098</u>

City of Aspen, Colorado
Employee Housing Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Operating:					
Rents and royalties	\$ 91,800	\$ 91,800	\$ 98,033	\$ 6,233	\$ 107,285
Sale of affordable housing units	-	93,000	92,502	(498)	1,370,262
Investment earnings	32,300	32,300	35,820	3,520	27,653
Other resources:					
Refund of expenditures	-	-	49	49	303
Total Revenues	<u>124,100</u>	<u>217,100</u>	<u>226,404</u>	<u>9,304</u>	<u>1,505,503</u>
Expenses:					
Operating:					
Personnel services	157,290	164,280	75,197	89,083	30,855
Purchased services	84,040	84,040	115,056	(31,016)	60,211
Materials and supplies	316,000	515,350	288,443	226,907	121,817
Cost of units sold	-	93,000	86,785	6,215	1,582,645
Capital expenses:					
Property, plant, and equipment	-	905,000	880,470	24,530	-
Total Expenses	<u>557,330</u>	<u>1,761,670</u>	<u>1,445,951</u>	<u>315,719</u>	<u>1,795,528</u>
Loss Before Transfers	<u>(433,230)</u>	<u>(1,544,570)</u>	<u>(1,219,547)</u>	<u>325,023</u>	<u>(290,025)</u>
Transfers in	521,000	1,426,000	1,426,000	-	463,000
Transfers out	-	(4,060)	(4,060)	-	-
Change in Net Position - Budget Basis	<u>\$ 87,770</u>	<u>\$ (122,630)</u>	202,393	<u>\$ 325,023</u>	172,975
Reconciliation to GAAP Basis:					
Personnel services			39,300		-
Capital Expenditures			880,469		-
Depreciation			(27,829)		(5,707)
Change in Net Position - GAAP Basis			1,094,333		167,268
Net Position - Beginning			<u>5,127,082</u>		<u>4,959,814</u>
Net Position - Ending			<u>\$ 6,221,415</u>		<u>\$ 5,127,082</u>

City of Aspen, Colorado
Information Technology Internal Service Fund
Schedule of Revenues, Expenses, and Changes in Net Position
Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP Basis
For the Year Ended December 31, 2016
(With Comparative Actual Amounts for 2015)

	2016				2015
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Operating:					
Charges for services	\$ 42,780	\$ 42,780	\$ 42,780	\$ -	\$ 42,780
Refund of expenditures	1,131,000	1,294,260	1,169,010	(125,250)	1,430,179
Miscellaneous:					
Other revenues	-	-	-	-	33
Other resources:					
Investment earnings	3,000	3,000	6,478	3,478	5,386
Total Revenues	<u>1,176,780</u>	<u>1,340,040</u>	<u>1,218,268</u>	<u>(121,772)</u>	<u>1,478,378</u>
Expenses:					
Operating:					
Personnel services	603,740	611,240	653,975	(42,735)	643,681
Purchased services	317,740	327,940	260,004	67,936	239,523
Materials and supplies	97,900	478,690	99,414	379,276	163,005
Contingency	-	177,380	-	177,380	-
Capital expenses:					
Property, plant, and equipment	-	3,970	-	3,970	133,738
Total Expenses	<u>1,019,380</u>	<u>1,599,220</u>	<u>1,013,393</u>	<u>585,827</u>	<u>1,179,947</u>
Income (Loss) Before Contributions and Transfers	<u>157,400</u>	<u>(259,180)</u>	<u>204,875</u>	<u>464,055</u>	<u>298,431</u>
Transfers out	<u>(130,000)</u>	<u>(151,560)</u>	<u>(151,560)</u>	<u>-</u>	<u>(140,220)</u>
Change in Net Position - Budget Basis	<u>\$ 27,400</u>	<u>\$ (410,740)</u>	<u>53,315</u>	<u>\$ 464,055</u>	<u>158,211</u>
Reconciliation to GAAP Basis:					
Capitalized expenses			-		133,738
Change in compensated absences			(3,478)		19,797
Change in OPEB obligation			(6,203)		(5,102)
Loss on disposition of assets			-		(55,486)
Depreciation			(199,902)		(196,805)
Change in Net Position - GAAP Basis			<u>(156,268)</u>		<u>54,353</u>
Net Position - Beginning			<u>1,420,547</u>		<u>1,366,194</u>
Net Position - Ending			<u>\$ 1,264,279</u>		<u>\$ 1,420,547</u>

FIDUCIARY FUNDS

AGENCY FUNDS

Agency funds are used to account for assets held by the City as an agent for individuals, private organizations, and other governments.

The *Police Seizure Fund* accounts for proceeds from police seizure activities.

The *Deposits Agency Fund* accounts for deposits that will be remitted to other parties upon meeting payment criteria.

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

	<u>Balance, January 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance, December 31, 2016</u>
Police Seizure Fund				
Assets				
Cash and investments	\$ 37,066	\$ 268	\$ -	\$ 37,334
Liabilities				
Due to others	37,066	268	-	37,334
 Deposits Agency Fund				
Assets				
Cash and investments	9,002,168	4,358,491	7,495,066	5,865,593
Liabilities				
Due to others	9,002,168	4,358,491	7,495,066	5,865,593
 Totals				
Assets				
Cash and investments	<u>9,039,234</u>	<u>4,358,759</u>	<u>7,495,066</u>	<u>5,902,927</u>
Liabilities				
Due to others	<u>\$ 9,039,234</u>	<u>\$ 4,358,759</u>	<u>\$ 7,495,066</u>	<u>\$ 5,902,927</u>

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**ANNUAL SCHEDULE OF REVENUES AND EXPENDITURES
FOR ROADS, BRIDGES, AND STREETS**

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

LOCAL HIGHWAY FINANCE REPORT		City or County: Aspen	
		YEAR ENDING : December 2016	
This Information From The Records Of City of Aspen:		Prepared By: Debbie Pearce	Phone: 970-920-5033

I. DISPOSITION OF HIGHWAY-USER REVENUES AVAILABLE FOR LOCAL GOVERNMENT EXPENDITURE				
ITEM	A. Local Motor-Fuel Taxes	B. Local Motor-Vehicle Taxes	C. Receipts from State Highway-User Taxes	D. Receipts from Federal Highway Administration
1. Total receipts available				
2. Minus amount used for collection expenses				
3. Minus amount used for nonhighway purposes				
4. Minus amount used for mass transit				
5. Remainder used for highway purposes				

II. RECEIPTS FOR ROAD AND STREET PURPOSES		III. DISBURSEMENTS FOR ROAD AND STREET PURPOSES	
ITEM	AMOUNT	ITEM	AMOUNT
A. Receipts from local sources:		A. Local highway disbursements:	
1. Local highway-user taxes		1. Capital outlay (from page 2)	1,225,589
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,313,196
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:	
c. Total (a.+b.)		a. Traffic control operations	
2. General fund appropriations	2,608,130	b. Snow and ice removal	229,831
3. Other local imposts (from page 2)		c. Other	
4. Miscellaneous local receipts (from page 2)	125,008	d. Total (a. through c.)	229,831
5. Transfers from toll facilities		4. General administration & miscellaneous	274,219
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	
a. Bonds - Original Issues		6. Total (1 through 5)	3,042,835
b. Bonds - Refunding Issues		B. Debt service on local obligations:	
c. Notes		1. Bonds:	
d. Total (a. + b. + c.)	-	a. Interest	
7. Total (1 through 6)	2,733,138	b. Redemption	
B. Private Contributions		c. Total (a. + b.)	-
C. Receipts from State government (from page 2)	309,697	2. Notes:	
D. Receipts from Federal Government (from page 2)	-	a. Interest	
E. Total receipts (A.7 + B + C + D)	3,042,835	b. Redemption	
		c. Total (a. + b.)	-
		3. Total (1.c + 2.c)	-
		C. Payments to State for highways	
		D. Payments to toll facilities	
		E. Total disbursements (A.6 + B.3 + C + D)	3,042,835

IV. LOCAL HIGHWAY DEBT STATUS (Show all entries at par)				
	Opening Debt	Amount Issued	Redemptions	Closing Debt
A. Bonds (Total)	-			-
1. Bonds (Refunding Portion)				
B. Notes (Total)	-			-

V. LOCAL ROAD AND STREET FUND BALANCE					
	A. Beginning Balance	B. Total Receipts	C. Total Disbursements	D. Ending Balance	E. Reconciliation
		3,042,835	3,042,835		-

Notes and Comments:

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		a. Interest on investments	
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes		c. Parking Garage Fees	
2. Infrastructure & Impact Fees		d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	124,769
4. Licenses		f. Charges for Services	-
5. Specific Ownership &/or Other		g. Other Misc. Receipts	239
6. Total (1. through 5.)	-	h. Other Road & Bridge Tax	125,008
c. Total (a. + b.)	-	i. Total (a. through h.)	250,016
(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	247,422	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	32,275	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) State Highway Contract	30,000	f. Other Federal	
f. Total (a. through e.)	62,275	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	309,697	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			-
b. Engineering Costs			-
c. Construction:			
(1). New Facilities			-
(2). Capacity Improvements			-
(3). System Preservation			-
(4). System Enhancement & Operation		1,225,589	1,225,589
(5). Total Construction (1) + (2) + (3) + (4)	-	1,225,589	1,225,589
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)	-	1,225,589	1,225,589
(Carry forward to page 1)			
Notes and Comments:			



THE CITY OF ASPEN

STATISTICAL SECTION

This section of the City of Aspen'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 City's overall financial position.

Contents	Page
<u>Financial Trends</u>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	J1
<u>Revenue Capacity</u>	
These schedules contain information to help the reader assess the City's most significant local revenue sources; property tax, sales tax, and real estate transfer tax.	J11
<u>Debt Capacity</u>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	J21
<u>Demographic and Economic Information</u>	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	J29
<u>Operating Information</u>	
These schedules contain service and capital asset data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.	J31

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City of Aspen, Colorado
Net Position by Component
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Net investment in capital assets	\$ 142,916,432	\$ 151,470,473	\$ 145,232,541	\$ 136,894,044	\$ 136,942,446	\$ 128,749,712	\$ 134,177,711	\$ 121,994,391	\$ 128,377,736	\$ 140,718,214
Restricted	3,396,902	2,026,833	2,267,258	2,392,091	1,693,062	1,831,164	1,934,378	2,345,341	2,522,506	2,557,833
Unrestricted	44,787,298	51,415,205	57,570,258	66,916,400	74,384,776	91,761,131	86,327,513	109,658,137	122,166,887	129,223,977
Total governmental activities net position	191,100,632	204,912,511	205,070,057	206,202,535	213,020,284	222,342,007	222,439,602	233,997,869	253,067,129	272,500,024
Business-type activities										
Net investment in capital assets	29,688,898	35,605,394	30,335,843	35,514,424	35,999,603	36,791,269	40,140,861	41,146,963	43,501,037	43,934,920
Unrestricted	18,886,486	19,724,291	22,532,277	16,752,629	16,664,318	16,013,491	14,187,836	14,468,589	14,165,472	16,511,616
Total business-type activities net position	48,575,384	55,329,685	52,868,120	52,267,053	52,663,921	52,804,760	54,328,697	55,615,552	57,666,509	60,446,536
Primary government										
Net investment in capital assets	172,605,330	187,075,867	175,568,384	172,408,468	172,942,049	165,540,981	174,318,572	163,141,354	171,878,773	184,653,134
Restricted	3,396,902	2,026,833	2,267,258	2,392,091	1,693,062	1,831,164	1,934,378	2,345,341	2,522,506	2,557,833
Unrestricted	63,673,784	71,139,496	80,102,535	83,669,029	91,049,094	107,774,622	100,515,349	124,126,726	136,332,359	145,735,593
Total primary government net position	\$ 239,676,016	\$ 260,242,196	\$ 257,938,177	\$ 258,469,588	\$ 265,684,205	\$ 275,146,767	\$ 276,768,299	\$ 289,613,421	\$ 310,733,638	\$ 332,946,560

**City of Aspen, Colorado
Changes in Net Position
Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses:										
Governmental Activities:										
General government	\$ 11,367,873	\$ 12,799,795	\$ 18,328,179	\$ 12,746,808	\$ 14,186,181	\$ 13,588,333	\$ 14,439,057	\$ 15,974,625	\$ 16,719,652	\$ 20,005,013
Public safety	3,992,721	3,965,895	4,623,907	4,128,951	4,631,963	4,520,022	4,692,307	4,857,589	5,410,262	5,429,850
Public works	5,211,492	5,524,416	5,710,134	4,474,777	4,329,753	5,141,641	5,468,284	6,244,587	6,143,820	6,749,835
Public health and welfare	45,741,334	4,642,857	5,368,693	11,159,883	5,156,660	3,840,708	14,283,914	22,729,676	9,043,434	7,579,477
Culture and recreation	12,800,971	13,485,076	15,342,409	14,755,729	16,683,693	16,266,120	16,940,187	17,947,041	17,234,894	19,665,654
Interest on long-term debt	1,746,898	2,067,637	1,920,915	1,832,668	1,806,488	1,699,484	1,585,080	972,968	1,439,454	1,254,344
Total Governmental Activities	80,861,289	42,485,676	51,294,237	49,098,816	46,794,738	45,056,308	57,408,829	68,726,486	55,991,516	60,684,173
Business-type Activities:										
Water	4,633,996	4,622,089	6,964,722	4,813,207	4,928,710	5,108,089	5,750,702	5,261,609	5,179,360	5,703,047
Electric	5,050,868	5,135,035	6,108,990	6,520,525	6,414,647	6,481,005	7,145,462	6,670,969	7,853,382	7,582,477
Transportation/Parking	2,780,761	3,472,291	2,351,879	2,235,896	2,215,703	1,903,563	2,042,569	2,512,465	2,131,682	2,504,049
Golf	1,284,877	1,207,128	1,139,329	1,733,458	1,512,913	1,962,110	1,539,598	1,592,768	1,479,929	1,540,865
Affordable housing	2,246,114	2,091,343	2,221,836	1,998,296	2,004,501	1,953,194	1,824,522	2,038,171	1,903,302	2,784,265
Total Business-type Activities	15,996,616	16,527,886	18,786,756	17,301,382	17,076,474	17,407,961	18,302,853	18,075,982	18,547,655	20,114,703
Total Primary Government Expenses	96,857,905	59,013,562	70,080,993	66,400,198	63,871,212	62,464,269	75,711,682	86,802,468	74,539,171	80,798,876
Program Revenues:										
Governmental Activities:										
Charges for services:										
General government	4,868,304	4,258,264	3,948,267	3,875,235	4,190,819	5,442,609	7,497,641	10,119,451	10,686,006	12,625,774
Public safety	160,648	159,278	269,031	269,857	204,913	191,850	185,503	190,840	184,846	206,789
Public works	225,373	1,122,397	635,078	822,635	1,062,012	598,530	938,814	1,354,777	1,237,820	943,948
Public health and welfare	18,911,408	5,516,600	1,681,877	1,702,612	4,265,950	1,461,529	3,113,268	10,930,008	2,087,867	2,497,002
Culture and recreation	3,000,207	2,994,550	3,270,113	3,213,051	3,212,890	3,940,782	3,955,653	4,526,635	4,219,467	5,330,212
Operating grants and contributions	1,272,132	1,601,369	1,132,782	1,580,296	1,086,003	2,057,500	944,298	1,440,379	775,341	4,390,176
Capital grants and contributions	1,033,333	106,656	379,903	164,397	170,028	2,950	112,000	-	10,455	147,832
Total Governmental Activities Program Revenues	29,471,405	15,759,114	11,317,051	11,628,083	14,192,615	13,695,750	16,747,177	28,562,090	19,201,802	26,141,733
Business-type Activities:										
Charges for services:										
Water	4,776,174	4,168,578	4,254,691	4,178,507	4,181,138	5,051,619	5,246,543	4,916,316	5,913,919	6,301,601
Electric	6,004,862	6,383,359	6,745,530	7,056,311	7,285,535	7,004,769	7,491,230	7,432,889	7,630,163	8,029,034
Transportation/Parking	2,556,805	2,990,211	2,761,760	2,625,684	2,843,583	2,944,662	3,120,554	3,818,830	3,752,142	3,950,134
Golf	958,842	1,140,323	975,705	1,347,998	1,443,302	1,559,189	1,498,588	1,556,287	1,693,769	1,691,573
Affordable housing	2,207,371	2,211,160	1,862,581	1,716,056	1,890,651	1,789,427	2,001,771	2,086,474	2,088,310	2,774,087
Operating grants and contributions	413,374	285,041	227,076	126,079	405,263	144,076	296,438	219,115	285,902	368,239
Capital grants and contributions	1,501,254	1,522,254	836,116	524,775	2,364,257	691,120	559,164	1,258,241	851,030	2,703,476
Total Business-Type Activities Program Revenues	18,418,682	18,700,926	17,663,459	17,575,410	20,413,729	19,184,862	20,214,288	21,288,152	22,215,235	25,818,144
Total Primary Government Program Revenues	47,890,087	34,460,040	28,980,510	29,203,493	34,606,344	32,880,612	36,961,465	49,850,242	41,417,037	51,959,877
Net (Expense)/Revenue										
Governmental activities	(51,389,884)	(26,726,562)	(39,977,186)	(37,470,733)	(32,602,123)	(31,360,558)	(40,661,652)	(40,164,396)	(36,789,714)	(34,542,440)
Business-type activities	2,422,066	2,173,040	(1,123,297)	274,028	3,337,255	1,776,901	1,911,435	3,212,170	3,667,580	5,703,441
Total Primary Government Net Expense	\$ (48,967,818)	\$ (24,553,522)	\$ (41,100,483)	\$ (37,196,705)	\$ (29,264,868)	\$ (29,583,657)	\$ (38,750,217)	\$ (36,952,226)	\$ (33,122,134)	\$ (28,838,999)

**City of Aspen, Colorado
Changes in Net Position
Last Ten Years**

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property taxes	\$ 4,560,450	\$ 6,682,473	\$ 6,828,073	\$ 6,742,994	\$ 6,400,324	\$ 6,635,193	\$ 6,813,447	\$ 6,958,207	\$ 7,201,345	\$ 7,337,156
Specific ownership taxes	208,670	289,612	225,601	175,518	158,201	188,641	202,727	232,804	253,219	245,467
Sales and use taxes	18,087,080	18,938,129	15,862,884	17,234,469	18,024,797	18,454,202	20,043,696	23,784,308	25,297,010	26,997,832
Franchise and business taxes	942,540	1,051,158	1,060,136	1,104,837	1,210,923	1,249,963	1,320,462	1,394,007	1,410,494	1,417,668
Real estate transfer tax	15,027,763	8,806,211	9,067,135	9,721,675	8,035,020	10,058,311	8,799,794	12,884,211	15,412,798	9,635,514
Lodging tax	1,149,529	1,238,693	915,808	1,009,084	2,135,021	2,370,865	2,555,331	2,885,188	3,189,844	3,514,720
Unrestricted investment earnings	3,674,409	3,462,232	2,653,415	1,226,495	785,565	546,246	270,303	1,018,586	1,044,068	1,591,123
Grants and contributions not restricted to specific programs	2,572,862	2,770,812	163,170	146,017	336,230	333,881	323,872	332,081	273,271	184,449
Sale of capital assets	559,934	115,979	229,889	-	16,025	57,621	27,332	44,500	14,835	19,283
Transfers	<u>(861,317)</u>	<u>(2,816,858)</u>	<u>3,128,621</u>	<u>1,242,122</u>	<u>2,923,496</u>	<u>1,548,924</u>	<u>402,283</u>	<u>2,188,771</u>	<u>1,762,090</u>	<u>3,032,123</u>
Total General Revenues and Transfers	<u>\$ 45,921,920</u>	<u>\$ 40,538,441</u>	<u>\$ 40,134,732</u>	<u>\$ 38,603,211</u>	<u>\$ 40,025,602</u>	<u>\$ 41,443,847</u>	<u>\$ 40,759,247</u>	<u>\$ 51,722,663</u>	<u>\$ 55,858,974</u>	<u>\$ 53,975,335</u>
Business-type Activities:										
Sales and use taxes	\$ -	\$ 42,187	\$ 777,255	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted investment earnings	1,219,607	1,719,540	1,010,320	367,027	133,546	151,450	13,385	135,069	137,906	107,901
Sale of capital assets	559	2,676	2,778	-	-	-	1,400	128,387	7,561	808
Transfers	<u>861,317</u>	<u>2,816,858</u>	<u>(3,128,621)</u>	<u>(1,242,122)</u>	<u>(2,923,496)</u>	<u>(1,548,924)</u>	<u>(402,283)</u>	<u>(2,188,771)</u>	<u>(1,762,090)</u>	<u>(3,032,123)</u>
Total Business-type Activities	<u>2,081,483</u>	<u>4,581,261</u>	<u>(1,338,268)</u>	<u>(875,095)</u>	<u>(2,789,950)</u>	<u>(1,397,474)</u>	<u>(387,498)</u>	<u>(1,925,315)</u>	<u>(1,616,623)</u>	<u>(2,923,414)</u>
Total Primary Government Revenues	<u>48,003,403</u>	<u>45,119,702</u>	<u>38,796,464</u>	<u>37,728,116</u>	<u>37,235,652</u>	<u>40,046,373</u>	<u>40,371,749</u>	<u>49,797,348</u>	<u>54,242,351</u>	<u>51,051,921</u>
Change in Net Position										
Governmental activities	(5,467,964)	13,811,879	157,546	1,132,478	7,423,479	10,083,289	97,595	11,558,267	19,069,260	19,432,895
Business-type activities	4,503,549	6,754,301	(2,461,565)	(601,067)	547,305	379,427	1,523,937	1,286,855	2,050,957	2,780,027
Total Change in Net Position	<u>\$ (964,415)</u>	<u>\$ 20,566,180</u>	<u>\$ (2,304,019)</u>	<u>\$ 531,411</u>	<u>\$ 7,970,784</u>	<u>\$ 10,462,716</u>	<u>\$ 1,621,532</u>	<u>\$ 12,845,122</u>	<u>\$ 21,120,217</u>	<u>\$ 22,212,922</u>

City of Aspen, Colorado
Fund Balances, Governmental Funds
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 2,924,021	\$ 1,862,972	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved	7,062,581	6,595,732	-	-	-	-	-	-	-	-
Nonspendable	-	-	46,649	82,808	62,471	52,750	53,106	41,389	50,849	30,431
Restricted	-	-	2,267,258	2,392,091	1,678,074	1,661,198	1,934,378	2,345,341	2,522,506	2,557,833
Committed	-	-	-	6,392,363	6,282,147	6,638,523	6,655,729	6,426,029	10,004,831	7,551,402
Unassigned	-	-	5,527,437	641,423	2,731,824	4,333,650	7,955,182	14,170,472	4,209,450	6,037,787
Total General Fund	<u>9,986,602</u>	<u>8,458,704</u>	<u>7,841,344</u>	<u>9,508,685</u>	<u>10,754,516</u>	<u>12,686,121</u>	<u>16,598,395</u>	<u>22,983,231</u>	<u>16,787,636</u>	<u>16,177,453</u>
All Other Governmental Funds										
Reserved	9,568,367	9,238,478	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special revenue funds	19,097,330	24,399,876	-	-	-	-	-	-	-	-
Capital projects funds	2,200,378	2,699,329	-	-	-	-	-	-	-	-
Nonspendable	-	-	6,748,788	861,265	599,693	5,932,977	9,148,984	7,500,654	278,894	332,949
Committed	-	-	-	8,809,681	9,481,407	10,019,332	12,962,518	17,109,568	10,470,135	4,462,590
Assigned	-	-	38,233,794	42,609,686	48,471,806	56,297,303	42,480,240	46,027,499	79,062,075	98,235,252
Unassigned	-	-	(1,963,040)	-	-	-	-	-	-	-
Total All Other Governmental Funds	<u>\$ 30,866,075</u>	<u>\$ 36,337,683</u>	<u>\$ 43,019,542</u>	<u>\$ 52,280,632</u>	<u>\$ 58,552,906</u>	<u>\$ 72,249,612</u>	<u>\$ 64,591,742</u>	<u>\$ 70,637,721</u>	<u>\$ 89,811,104</u>	<u>\$ 103,030,791</u>
Total Governmental Funds	\$ 40,852,677	\$ 44,796,387	\$ 50,860,886	\$ 61,789,317	\$ 69,307,422	\$ 84,935,733	\$ 81,190,137	\$ 93,620,952	\$ 106,598,740	\$ 119,208,244

GASB 54 implemented in 2009

City of Aspen, Colorado
Changes in Fund Balances, Governmental Funds
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$ 40,079,836	\$ 36,716,822	\$ 33,794,735	\$ 35,900,094	\$ 35,964,285	\$38,979,093	\$39,735,455	\$48,138,727	\$52,764,713	\$49,148,357
Licenses and permits	1,448,116	2,171,593	1,522,715	1,482,339	2,230,570	2,363,080	3,149,349	4,440,976	4,433,846	6,966,216
Intergovernmental	489,554	490,005	1,192,789	1,132,873	865,194	792,260	942,744	634,766	763,524	706,088
Charges for services	22,123,973	5,743,510	4,115,188	4,500,606	5,223,000	5,572,160	6,833,099	17,167,684	8,547,638	8,491,584
Fines	79,767	118,177	103,030	89,406	101,006	65,785	56,321	57,179	57,402	51,899
Miscellaneous	22,869,118	16,712,302	10,348,713	9,246,285	6,527,758	4,630,564	6,036,772	5,413,984	5,142,702	6,808,484
Total Revenues	87,090,364	61,952,409	51,077,170	52,351,603	50,911,813	52,402,942	56,753,740	75,853,316	71,709,825	72,172,628
Expenditures:										
General government	11,208,541	12,681,991	14,014,915	12,933,325	11,839,390	12,905,819	13,601,193	14,584,380	14,901,942	18,661,315
Public safety	4,312,794	4,274,038	4,132,261	4,008,407	4,134,932	4,578,637	4,514,586	4,670,305	4,877,295	5,221,612
Public works	2,294,254	3,227,691	4,411,694	3,244,360	2,930,675	3,538,733	4,031,719	4,308,842	4,273,646	5,233,251
Public health and welfare	2,629,833	2,949,131	5,483,402	6,501,678	3,946,378	3,263,541	13,651,311	13,242,812	8,337,672	6,821,525
Culture and recreation	10,462,438	11,300,085	12,646,957	12,721,971	11,665,878	12,819,902	12,863,475	13,999,493	13,494,365	14,970,316
Capital Outlay:										
General government	11,446,265	3,728,892	225,023	339,788	75,023	167,837	425,110	-	1,124,489	4,552,489
Public safety	-	-	-	72,771	50,954	-	89,757	316,564	153,646	-
Public works	2,323,013	2,019,058	234,726	536,647	1,201,210	1,104,672	5,327,522	1,760,541	1,385,718	2,569,682
Public health and welfare	42,921,755	6,986,024	426,627	-	180,969	41,207	204,362	9,213,123	88,473	-
Culture and recreation	4,830,662	3,039,785	1,430,644	1,330,265	4,509,717	1,268,127	4,625,384	4,100,570	4,558,170	3,123,127
Debt service:										
Principal retirement	2,158,350	1,970,475	1,362,600	1,523,727	1,575,263	1,623,243	1,745,718	1,808,269	2,245,319	2,288,427
Interest	1,916,080	2,065,958	1,974,201	1,807,613	1,776,028	1,713,013	1,559,371	1,532,108	1,632,439	1,396,183
Total Expenditures	96,503,985	54,243,128	46,343,050	45,020,552	43,886,417	43,024,731	62,639,508	69,537,007	57,073,174	64,837,927
Excess (Deficiency) of Revenues Over Expenditures	(9,413,621)	7,709,281	4,734,120	7,331,051	7,025,396	9,378,211	(5,885,768)	6,316,309	14,636,681	7,334,701
Other Financing Sources (Uses):										
Proceeds from sale of fixed assets	559,934	111,664	239,140	13,149	1,733	57,621	70,778	44,500	48,500	19,278
Premium on issuance	-	-	-	-	-	-	1,700,781	569,534	105,911	-
Debt issued	-	-	7,353,345	441,449	-	9,996,008	8,295,000	1,270,000	3,287,775	-
Payments to refunded debt escrow	-	-	(7,201,317)	-	-	(4,528,294)	(9,862,702)	(1,405,511)	(3,328,773)	-
Capital Contributions	-	-	2,763,410	-	-	-	-	-	-	3,493,782
Transfers in	16,665,620	11,497,427	7,889,424	9,187,922	10,781,427	8,723,289	8,940,363	9,287,365	23,050,982	13,870,388
Transfers (out)	(17,682,049)	(15,374,662)	(9,713,623)	(6,045,140)	(9,687,252)	(7,998,524)	(7,004,048)	(7,736,382)	(24,823,288)	(12,108,645)
Total Other Financing Sources (Uses)	(456,495)	(3,765,571)	1,330,379	3,597,380	1,095,908	6,250,100	2,140,172	2,029,506	(1,658,893)	5,274,803
Net change in fund balances	\$ (9,870,116)	\$ 3,943,710	\$ 6,064,499	\$ 10,928,431	\$ 8,121,304	\$15,628,311	\$ (3,745,596)	\$ 8,345,815	\$12,977,788	\$12,609,504
Debt Service as a percentage of noncapital expenditures	11.65%	10.49%	7.58%	7.79%	8.85%	8.25%	6.36%	6.17%	7.79%	6.75%

City of Aspen, Colorado
History of General Fund Revenues, Expenditures, and Changes in Fund Balance
Last Ten Years

	2007	2008	2009	2010	2011 ¹	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$ 9,509,080	\$ 10,805,052	\$ 9,984,040	\$ 11,086,048	\$ 10,957,266	\$ 10,973,150	\$ 10,937,924	\$ 11,633,647	\$ 12,429,710	\$ 10,592,745
Licenses and permits	1,423,741	1,451,112	1,030,194	814,134	1,321,002	2,001,579	2,746,802	3,902,071	3,831,168	4,551,133
Intergovernmental	424,675	425,568	447,463	471,471	466,002	457,550	440,295	502,440	454,252	458,609
Charges for services	4,610,500	3,817,108	2,950,703	3,165,021	3,778,115	4,620,285	5,976,999	7,234,174	7,580,425	7,088,448
Fines	79,767	118,177	103,030	89,406	101,006	65,785	56,321	57,179	57,402	51,899
Refund of expenditures	-	4,585,153	4,644,574	4,881,816	240,639	156,358	174,096	311,212	206,551	316,849
Investment earnings	-	604,142	313,693	144,476	81,118	111,573	14,679	177,312	164,787	117,809
Miscellaneous	5,750,858	868,274	377,896	198,283	193,531	202,190	440,315	528,388	487,539	619,273
Total Revenues	21,798,621	22,674,586	19,851,593	20,850,655	17,138,679	18,588,470	20,787,431	24,346,423	25,211,834	23,796,765
Expenditures:										
General government	9,483,244	10,718,908	9,911,162	9,827,371	7,948,981	8,357,446	8,644,145	9,487,368	10,234,817	10,866,998
Public safety	4,312,794	4,274,038	4,132,261	4,008,407	4,116,604	4,566,057	4,514,586	4,670,305	4,877,295	5,036,266
Public works	2,251,512	2,889,372	2,163,806	1,990,040	2,267,486	2,500,212	2,486,781	2,944,938	3,361,257	3,625,645
Public health and welfare	404,146	424,674	444,276	463,580	512,696	612,098	505,780	539,665	541,544	620,304
Culture and recreation	4,455,005	4,648,288	4,410,919	4,102,522	4,292,751	4,827,793	5,150,982	5,429,954	5,317,611	5,594,461
Debt service:										
Principal retirement	-	-	-	19,002	28,988	30,418	31,918	33,494	35,144	36,877
Interest	-	-	-	17,692	19,938	18,508	17,008	15,434	13,782	12,049
Capital Outlay	889,040	820,168	6,789	-	-	27,339	46,088	9,399	27,249	-
Total Expenditures	21,795,741	23,775,448	21,069,213	20,428,614	19,187,444	20,939,871	21,397,288	23,130,557	24,408,699	25,792,600
Excess (Deficiency) of Revenues										
Over Expenditures	2,880	(1,100,862)	(1,217,620)	422,041	(2,048,765)	(2,351,401)	(609,857)	1,215,866	803,135	(1,995,835)
Other Financing Sources (Uses):										
Proceeds from sale of assets	379,934	444	3,000	-	1,733	8,136	5,451	27,500	6,950	3,500
Transfers in	1,417,640	2,187,240	1,612,850	1,536,110	5,093,650	5,344,720	5,612,710	5,768,470	5,633,740	5,791,208
Transfers out	(6,871,530)	(2,614,720)	(1,015,590)	(290,810)	(1,359,860)	(1,069,850)	(1,096,030)	(627,000)	(12,639,420)	(4,409,056)
Total Other Financing Sources (Uses)	(5,073,956)	(427,036)	600,260	1,245,300	3,735,523	4,283,006	4,522,131	5,168,970	(6,998,730)	1,385,652
Net Change in Fund Balances	(5,071,076)	(1,527,898)	(617,360)	1,667,341	1,686,758	1,931,605	3,912,274	6,384,836	(6,195,595)	(610,183)
Fund Balances - Beginning	15,057,678	9,986,602	8,458,704	7,841,344	9,067,758	10,754,516	12,686,121	16,598,395	22,983,231	16,787,636
Fund Balances - Ending	\$ 9,986,602	\$ 8,458,704	\$ 7,841,344	\$ 9,508,685	\$ 10,754,516	\$ 12,686,121	\$ 16,598,395	\$ 22,983,231	\$ 16,787,636	\$ 16,177,453

¹ The City's beginning fund balance for the year ended December 31, 2011, was restated to reflect a change in accounting practice pursuant to GASB 54.

City of Aspen, Colorado
History of Affordable Housing Fund Revenues, Expenditures, and Changes in Fund Balance
Last Ten Years

	2007	2008 ²	2009	2010	2011 ¹	2012	2013	2014	2015	2016
Revenues:										
Taxes:										
Sales tax	\$ 2,252,141	\$ 1,059,498	\$ 903,435	\$ 944,433	\$ 1,013,662	\$ 1,072,416	\$ 1,141,378	\$ 1,267,533	\$ 1,358,733	\$ 1,449,290
Real estate transfer tax	9,755,656	5,731,302	5,881,378	6,370,311	5,233,329	6,592,914	5,678,816	8,387,972	10,020,525	6,293,074
Charges for services:										
General government	10,687	49,828	-	-	-	-	-	-	-	-
Public health and welfare	15,973,249	214,587	298,512	508,454	538,780	-	7,500	8,778,982	7,330,883	-
Development fees	2,910,533	4,600,966	291,136	239,138	2,925,428	723,866	2,155,154	1,157,002	975,174	1,499,609
Refund of expenditures	48,328	405,401	834	3,404	-	-	92,094	150,043	8,607	41,735
Investment earnings	613,198	108,512	191,894	83,064	72,467	127,675	10,825	93,043	105,490	155,582
Miscellaneous:										
Rents and royalties	147,576	638,000	701,716	667,832	508,067	469,680	501,334	534,510	578,846	645,581
Other	108,194	8	26	13,393	-	30	-	-	-	-
Total Revenues	31,819,562	12,808,102	8,268,931	8,830,029	10,291,733	8,986,581	9,587,101	20,369,085	20,378,258	10,084,871
Expenditures:										
Current:										
Public health and welfare	1,830,257	522,725	3,437,296	3,356,885	1,428,620	6,411,041	14,990,764	535,915	4,072,398	1,169,609
Capital:										
Public health and welfare	42,921,755	6,971,004	-	-	-	-	4,194,982	16,314,304	88,473	-
Total Expenditures	44,752,012	7,493,729	3,437,296	3,356,885	1,428,620	6,411,041	19,185,746	16,850,219	4,160,871	1,169,609
Excess (Deficiency) of Revenues Over Expenditures	(12,932,450)	5,314,373	4,831,635	5,473,144	8,863,113	2,575,540	(9,598,645)	3,518,866	16,217,387	8,915,262
Other Financing Sources (Uses):										
Proceeds from sale of assets	-	-	104,817	-	-	-	-	-	-	-
Transfers in	9,308,540	720,950	997,050	2,300,000	-	-	-	-	140,000	-
Transfers out	(2,412,906)	(5,352,444)	(3,663,040)	(6,460,020)	(1,096,220)	(1,120,300)	(591,500)	(667,000)	(1,913,700)	(801,044)
Total Other Financing Sources (Uses)	6,895,634	(4,631,494)	(2,561,173)	(4,160,020)	(1,096,220)	(1,120,300)	(591,500)	(667,000)	(1,773,700)	(801,044)
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - Budget Basis	(6,036,816)	682,879	2,270,462	1,313,124	7,766,893	1,455,240	(10,190,145)	2,851,866	14,443,687	8,114,218
Reconciliation to GAAP Basis:										
Purchase of housing units held for sale	-	-	468,331	-	-	5,408,080	3,307,920	7,995,040	-	-
Purchase of housing units contributed to other funds	-	-	-	-	-	-	-	(856,050)	-	-
Interfund advance principal payments	(8,158,607)	-	2,547,680	5,452,320	-	-	-	-	-	-
Cost of housing units sold	-	-	-	(318,990)	-	-	-	(8,716,000)	(7,138,990)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures and Other Financing (Uses) - GAAP Basis	(14,195,423)	682,879	5,286,473	6,446,454	7,766,893	6,863,320	(6,882,225)	1,274,856	7,304,697	8,114,218
Fund Balances - Beginning	10,817,780	(7,464,061)	(6,781,182)	(1,494,709)	4,939,854	12,706,747	19,570,067	12,687,842	13,962,698	21,267,395
Fund Balances - Ending	\$ (3,377,643)	\$ (6,781,182)	\$ (1,494,709)	\$ 4,951,745	\$ 12,706,747	\$ 19,570,067	\$ 12,687,842	\$ 13,962,698	\$ 21,267,395	\$ 29,381,613

¹ The City's beginning fund balance for the year ended December 31, 2011, was amended to reflect a change in accounting practice pursuant to GASB 54.

² In 2007, the City embarked on a land acquisition program for the purpose of securing property for future development of affordable housing. In order to fund the cost of a specific acquisition which exceeded available fund balance of the Affordable Housing Fund, the City borrowed approximately \$8,000,000 from the Wheeler Opera House Fund. Due to GASB rules, while the acquisition was reflected as an expense of the Affordable Housing Fund, the borrowed funds did not increase the available reserves of the Affordable Housing Fund and, as a result, a negative fund balance relating to the outstanding balance of the loan for the acquisition cost is shown. The loan was repaid in full in 2010.

City of Aspen, Colorado
History of AMP Fund Revenues, Expenditures, and Changes in Fund Balance
Last Ten Years

	2007	2008	2009	2010	2011 ¹	2012	2013	2014	2015	2016
Revenues:										
Taxes	\$ 3,380,522	\$ 3,554,912	\$ 3,130,355	\$ 2,269,506	\$ 2,479,835	\$ 3,072,979	\$ 3,868,326	\$ 4,001,415	\$ 4,155,912	\$ 6,513,679
Licenses and permits	-	-	29,984	135,000	541,090	-	60,000	-	14,212	36,000
Intergovernmental	-	-	204,021	20,000	60,823	-	4,000	-	-	-
Charges for service	-	-	-	-	-	-	-	-	-	75,000
Refund of expenditures	-	371,498	211,235	155,517	158,727	40,628	7	-	4,702	855,374
Investment earnings	-	349,365	237,443	90,939	42,537	55,854	29	65,791	88,452	147,826
Miscellaneous	1,613,210	244,230	84,951	183,279	318,394	230,138	269,726	120,912	153,087	52,598
Total Revenues	4,993,732	4,520,005	3,897,989	2,854,241	3,601,406	3,399,599	4,202,088	4,188,118	4,416,365	7,680,477
Expenditures:										
General government	77,072	118,089	706,965	596,198	471,061	295,199	185,484	553,675	229,192	2,491,785
Public safety	-	-	-	-	18,328	12,580	-	-	-	185,346
Public works	-	-	1,506,321	679,457	177,035	486,486	850,758	588,001	238,296	682,761
Public health and welfare	-	-	-	119,754	3,796	1,060	21,730	-	2,781	-
Culture and recreation	-	-	217,477	508,112	303,819	326,144	299,695	293,245	213,010	430,556
Capital Outlay	14,431,681	5,504,475	458,771	795,868	2,150,619	1,474,416	2,161,605	1,783,239	2,635,967	6,931,587
Total Expenditures	14,508,753	5,622,564	2,889,534	2,699,389	3,124,658	2,595,885	3,519,272	3,218,160	3,319,246	10,722,035
Excess (Deficiency) of Revenues Over Expenditures	(9,515,021)	(1,102,559)	1,008,455	154,852	476,748	803,714	682,816	969,958	1,097,119	(3,041,558)
Other Financing Sources (Uses):										
Proceeds from sale of assets	168,000	62,000	127,323	-	-	41,630	-	17,000	41,550	15,778
Operating lease	-	-	-	441,449	-	-	-	-	-	-
Debt issuance	8,405,000	-	-	-	-	-	-	-	-	-
Transfers in	5,180,870	1,067,840	149,790	113,840	75,000	40,160	303,030	95,250	12,451,000	4,584,910
Transfers out	(488,843)	(262,231)	(168,764)	(725,410)	(190,913)	(366,700)	(304,275)	(105,576)	(2,311,208)	(91,853)
Total Other Financing Sources (Uses)	13,265,027	867,609	108,349	(170,121)	(115,913)	(284,910)	(1,245)	6,674	10,181,342	4,508,835
Net Change in Fund Balances	3,750,006	(234,950)	1,116,804	(15,269)	360,835	518,804	681,571	976,632	11,278,461	1,467,277
Fund Balances - Beginning	19,920	3,769,926	3,534,976	4,651,780	4,631,626	4,992,461	5,511,265	6,192,836	7,169,468	18,447,929
Fund Balances - Ending	\$ 3,769,926	\$ 3,534,976	\$ 4,651,780	\$ 4,636,511	\$ 4,992,461	\$ 5,511,265	\$ 6,192,836	\$ 7,169,468	\$ 18,447,929	\$ 19,915,206

¹ The City's beginning fund balance for the year ended December 31, 2011, was restated to reflect a change in accounting practice pursuant to GASB 54.

City of Aspen, Colorado
History of Electric Enterprise Fund Revenues, Expenses, and Changes in Fund Net Position
Last Ten Years

	2007	2008	2009	2010	2011 ¹	2012	2013	2014	2015	2016
Revenues:										
Charges for services:										
Electric sales	\$ 5,578,062	\$ 5,686,755	\$ 6,236,179	\$ 6,575,286	\$ 6,712,361	\$ 7,004,769	\$ 7,491,230	\$ 7,432,889	\$ 7,630,163	\$ 8,029,034
Grants:										
Nongovernmental grant	-	-	-	-	-	-	-	-	22,072	75,623
Intergovernmental/State grant	-	51,250	25,397	-	-	-	-	-	-	-
Miscellaneous:										
Rents and royalties	16,800	-	-	-	-	-	-	-	-	-
Capital project reimbursement	-	-	-	2,665	56,528	-	-	-	-	-
Other revenues	78,211	25,792	78,576	26,099	68,009	51,825	90,886	95,069	73,866	84,289
Other resources:										
Investment earnings (losses)	134,582	174,550	98,697	35,426	9,060	21,481	(258)	42,186	44,592	35,639
Total Revenues	5,807,655	5,938,347	6,438,849	6,639,476	6,845,958	7,078,075	7,581,858	7,570,144	7,770,693	8,224,585
Expenses:										
Operating:										
Personnel services	867,328	863,964	939,998	1,018,955	672,662	1,069,114	861,305	952,563	950,928	1,068,875
Purchased services	3,273,872	3,268,524	3,475,323	3,800,526	3,833,207	4,159,848	4,756,799	4,397,610	4,685,347	5,081,443
Materials and supplies	81,003	86,999	382,931	309,113	294,550	322,960	528,210	266,798	812,468	302,584
Contingency	-	1,010	1,980	11,680	-	-	-	-	-	13,735
Capital expenses:										
Property, plant, and equipment	273,965	467,265	499,639	1,467,296	217,852	437,658	598,625	945,263	125,089	419,542
Debt service:										
Principal	-	-	-	-	-	-	-	145,000	150,000	155,000
Interest	-	-	-	-	-	-	-	211,268	206,555	201,305
Total Expenses	4,496,168	4,687,762	5,299,871	6,607,570	5,018,271	5,989,580	6,744,939	6,918,502	6,930,387	7,242,484
Income (Loss) Before Contributions and Transfers	1,311,487	1,250,585	1,138,978	31,906	1,827,687	1,088,495	836,919	651,642	840,306	982,101
Capital contributions	-	-	-	-	-	-	1,401,260	-	-	-
Proceeds from sale of assets	8,501	-	-	-	-	-	-	127,860	-	-
Transfers in	-	24,580	-	-	-	461,090	5,507,946	-	139,092	-
Transfers out	(745,760)	(1,032,955)	(1,268,500)	(1,392,246)	(787,184)	(679,000)	(898,323)	(919,434)	(1,154,819)	(1,080,690)
Change in Net Position - Budget Basis	574,228	242,210	(129,522)	(1,360,340)	1,040,503	870,585	6,847,802	(139,932)	(175,421)	(98,589)
Reconciliation to GAAP Basis:										
Debt principal payments	-	-	-	-	-	-	-	145,000	150,000	155,000
Debt accrued interest	-	-	-	-	-	-	-	1,674	1,677	1,650
Capitalized expenses	66,704	467,265	499,639	1,467,296	217,852	437,658	598,625	945,263	125,089	419,542
Change in compensated absences	(6,762)	(771)	(13,961)	10,530	(6,634)	(1,554)	(1,100)	2,116	(5,455)	(2,198)
Change in OPEB obligation	-	-	-	-	-	-	-	-	(37,987)	1,813
Loss on disposition of assets	(7,942)	(4,566)	(5,638)	-	-	(8,667)	-	(100,117)	-	-
Contributions of assets from other funds	-	-	-	-	-	-	-	-	-	-
Depreciation	(268,574)	(261,625)	(255,218)	(259,539)	(462,398)	(329,799)	(364,542)	(746,403)	(1,156,319)	(915,800)
Change in Net Position - GAAP Basis	357,654	442,513	95,300	(142,053)	789,323	968,223	7,080,785	107,601	(1,098,416)	(438,582)
Net Position - Beginning	6,635,457	6,993,111	7,435,624	7,530,924	7,362,450	8,151,773	9,119,996	16,200,781	16,308,382	15,209,966
Net Position - Ending	\$ 6,993,111	\$ 7,435,624	\$ 7,530,924	\$ 7,388,871	\$ 8,151,773	\$ 9,119,996	\$ 16,200,781	\$ 16,308,382	\$ 15,209,966	\$ 14,771,384

¹ The City's beginning fund balance for the year ended December 31, 2011, was restated to reflect a change in accounting practice pursuant to GASB 54.

City of Aspen, Colorado
History of Truscott Housing Fund Revenues, Expenses, and Changes in Fund Net Position
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues:										
Operating revenues:										
Rents and royalties	\$ 1,000,389	\$ 990,021	\$ 983,413	\$ 985,710	\$ 994,704	\$ 1,004,991	\$ 1,035,158	\$ 1,068,809	\$ 1,086,887	\$ 1,163,131
Other	45,089	39,075	21,961	28,524	35,562	30,109	38,195	41,938	39,025	52,071
Grants:										
Nongovernmental grants	-	-	-	-	-	-	-	-	-	320,321
Other resources:										
Investment earnings	65,731	58,291	54,727	24,331	15,201	19,685	2,557	17,968	14,306	10,831
Total Revenues	<u>1,111,209</u>	<u>1,087,387</u>	<u>1,060,101</u>	<u>1,038,565</u>	<u>1,045,467</u>	<u>1,054,785</u>	<u>1,075,910</u>	<u>1,128,715</u>	<u>1,140,218</u>	<u>1,546,354</u>
Expenses:										
Operating:										
Personnel services	208,307	193,764	236,927	276,131	233,026	259,911	267,766	296,056	263,935	247,006
Purchased services	255,510	293,332	355,108	240,821	262,708	329,912	327,209	315,317	273,714	287,203
Materials and supplies	49,864	60,237	170,993	67,340	202,869	103,201	77,612	53,211	106,202	435,287
Capital expenditures:										
Property, plant, and equipment	58,828	355,759	144,077	35,087	13,818	21,574	8,492	24,255	1,328,511	333,601
Debt service:										
Principal	995,000	4,600,000	405,000	485,000	495,000	515,000	530,000	535,000	565,000	575,000
Interest	569,011	382,856	337,319	223,796	211,588	189,587	179,288	168,687	147,288	134,575
Total Expenses	<u>2,136,520</u>	<u>5,885,948</u>	<u>1,649,424</u>	<u>1,328,175</u>	<u>1,419,009</u>	<u>1,419,185</u>	<u>1,390,367</u>	<u>1,392,526</u>	<u>2,684,650</u>	<u>2,012,672</u>
Income (Loss) Before Transfers	(1,025,311)	(4,798,561)	(589,323)	(289,610)	(373,542)	(364,400)	(314,457)	(263,811)	(1,544,432)	(466,318)
Other Financing Sources (Uses):										
Retirement of 2001B G.O.	-	3,922,190	-	-	-	-	-	-	-	-
Transfers in	1,531,106	1,095,290	743,820	742,620	709,590	705,600	-	-	1,350,000	295,000
Transfers out	-	(30,940)	(31,690)	(4,780)	(64,020)	(66,000)	(70,000)	(79,000)	(127,000)	(150,000)
Total Other Financing Sources (Uses)	<u>1,531,106</u>	<u>4,986,540</u>	<u>712,130</u>	<u>737,840</u>	<u>645,570</u>	<u>639,600</u>	<u>(70,000)</u>	<u>(79,000)</u>	<u>1,223,000</u>	<u>145,000</u>
Change in Net Position - Budget Basis	<u>505,795</u>	<u>187,979</u>	<u>122,807</u>	<u>448,230</u>	<u>272,028</u>	<u>275,200</u>	<u>(384,457)</u>	<u>(342,811)</u>	<u>(321,432)</u>	<u>(321,318)</u>

City of Aspen, Colorado
Assessed Value and Actual Value of Taxable Property
Last Ten Years

Fiscal Year Ended December 31¹	Valuation Base Year²	Residential Property Assessment Rate³	Residential Property⁴	Commercial Property	Other Property	Tax-Exempt Property	Assessed Value	Estimated Actual Value²	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value	Total Direct Tax Rate⁵
2007	2006	7.96%	749,829,010	379,509,740	101,390,230	99,780,110	1,230,728,980	11,078,234,110	11.11%	5.459
2008	2006	7.96%	774,802,040	387,880,550	90,371,420	100,371,950	1,253,054,010	11,382,833,100	11.01%	5.467
2009	2008	7.96%	1,064,282,750	496,772,540	127,354,685	102,813,170	1,688,409,975	15,522,549,590	10.88%	4.042
2010	2008	7.96%	1,074,062,700	487,806,210	124,557,730	95,928,570	1,686,426,640	15,604,839,250	10.81%	3.854
2011	2010	7.96%	784,360,210	399,945,650	91,453,420	92,851,390	1,275,759,280	11,548,247,950	11.05%	5.236
2012	2010	7.96%	791,067,840	392,756,460	93,936,850	92,443,190	1,277,761,150	11,616,289,590	11.00%	5.346
2013	2012	7.96%	726,056,410	424,023,030	84,852,420	137,777,830	1,234,931,860	10,876,036,690	11.35%	5.654
2014	2012	7.96%	733,455,580	423,410,750	85,341,320	153,445,790	1,242,207,650	10,968,575,260	11.33%	5.817
2015	2014	7.96%	892,553,590	504,872,920	94,736,040	158,666,150	1,492,162,550	13,280,594,120	11.24%	4.978
2016	2014	7.96%	901,732,880	497,043,570	84,221,960	166,507,050	1,482,998,410	13,323,299,450	11.13%	5.227

¹ Property taxes levied on the valuation for the year indicated are collected in the following year.

² Actual value is reappraised biennially from sales that occurred in the 24 month period ending June 30 of the indicated valuation base year.

³ Residential property is assessed at the indicated assessment rate of actual value. All other property is assessed at 29% of actual value.

⁴ Residential property is valued at 100% of market value; all other property is valued considering the income, cost and market approaches to appraisal.

⁵ Per \$1,000 of assessed valuation.

Source: Pitkin County Department of Finance

City of Aspen, Colorado
Direct and Overlapping Property Tax Rates
Last Ten Years
(rate per \$1,000 of assessed value)

Tax Year	General Mill Levy			Stormwater Mill Levy	Refund / Abatements	Total Direct Tax Rate
	General Fund	Asset Management Fund	Voter Approved Increase			
2007	1.902	1.902	0.995	0.650	0.010	5.459
2008	2.186	1.789	0.824	0.650	0.018	5.467
2009	2.184	1.028	0.336	0.494	-	4.042
2010	1.808	1.478	-	0.527	0.041	3.854
2011	2.123	2.393	-	0.650	0.070	5.236
2012	1.629	3.026	-	0.650	0.041	5.346
2013	1.744	3.240	-	0.650	0.020	5.654
2014	1.798	3.339	-	0.650	0.030	5.817
2015	-	4.404	-	0.557	0.017	4.978
2016	1.150	3.451	-	0.582	0.044	5.227

Overlapping Rates

Tax Year	Pitkin County	Open Space & Trails	Aspen Fire Protection	Aspen Sanitation District	Aspen School District	Colorado Mountain College	Colorado River Water Conservation	Aspen Valley Hospital	Aspen Ambulance District	Aspen Historic District	Pitkin County Library	Human Svc & Other Grants	Healthy Community Fund
2007	2.374	3.757	1.397	0.168	8.622	3.997	0.191	1.280	0.170	0.300	1.113	-	0.489
2008	2.495	3.760	1.506	0.168	9.355	3.997	0.198	1.280	0.176	0.300	1.148	-	0.501
2009	1.950	3.333	1.146	0.130	7.846	3.997	0.166	0.969	0.138	0.236	0.906	-	0.394
2010	1.984	3.351	1.306	0.130	8.254	3.997	0.188	1.931	0.142	0.237	0.932	-	0.402
2011	2.680	3.797	1.455	0.130	9.105	3.997	0.228	2.664	0.198	0.300	1.296	-	0.567
2012	2.691	3.796	1.455	0.130	9.201	3.997	0.242	2.920	0.204	0.300	1.336	-	0.707
2013	2.416	3.783	1.477	0.130	9.333	3.997	0.254	2.539	0.220	0.300	1.439	0.523	0.778
2014	2.476	3.750	1.476	0.130	9.297	3.997	0.253	2.818	0.400	0.300	1.490	0.536	0.802
2015	2.289	3.750	1.411	0.111	9.111	3.997	0.243	2.819	0.451	0.300	1.359	0.500	0.735
2016	2.347	3.750	1.423	0.111	9.092	3.997	0.253	2.791	0.503	0.300	1.411	0.511	0.757

¹Information not available

Source: Pitkin County Treasurer

**City of Aspen, Colorado
Property Tax Levies and Collections
Last Ten Years**

Fiscal Year	Collected within the Fiscal Year Following the Levy				Total Collections to Date	
	Taxes Levied for the Fiscal Year	Amount Collected	Percentage of Levy	Collections in Subsequent Years	Amount	Percentage of Levy
2006	4,592,119	4,570,757	99.53%	12,124	4,582,881	99.80%
2007	6,718,550	6,693,076	99.62%	347	6,693,423	99.63%
2008	6,850,446	6,831,447	99.72%	5,687	6,837,134	99.81%
2009	6,824,553	6,766,466	99.15%	1,610	6,768,076	99.17%
2010	6,499,488	6,463,522	99.45%	3,513	6,467,035	99.50%
2011	6,653,337	6,640,120	99.80%	3,562	6,643,682	99.85%
2012	6,830,911	6,807,011	99.65%	2,300	6,809,311	99.68%
2013	6,959,894	6,947,150	99.82%	2,248	6,949,398	99.85%
2014	7,220,837	7,218,155	99.96%	485	7,218,640	99.97%
2015	7,364,539	7,361,708	99.96%	1,508	7,363,216	99.98%

Source: Pitkin County Assessor

**City of Aspen, Colorado
Principal Property Tax Payers
Current Year and Nine Years Ago**

Taxpayer	2016			2007		
	Assessed Value	Rank	Percentage of Total City Assessed Value	Assessed Value	Rank	Percentage of Total City Assessed Value
Aspen Skiing Company	\$ 35,491,160	1	2.39%	\$ 23,287,030	1	2.75%
315 East Dean Association Inc	27,162,850	2	1.83%			
Residences at the Little Nell Condo Assoc	14,938,840	3	1.01%			
Hyatt Grand Aspen	14,086,350	4	0.95%	13,770,950	3	1.63%
Iconic Properties Jerome LLC	12,369,710	5	0.83%			
Ajax Mountain Associates LLC	9,999,710	6	0.67%	6,557,460	6	0.77%
Brand Building LLC	9,716,260	7	0.66%	6,485,250	10	0.77%
Mill Street Plaza Associates LLC	9,621,650	8	0.65%			
204 S Galena St LLC	9,186,450	9	0.62%			
Aspen Club Lodge Properties LLC	9,082,950	10		6,529,930	8	0.77%
SLT Aspen Dean Street LLC				19,595,880	2	2.31%
Aspen Highlands Condo Assoc Inc				12,096,710	4	1.43%
LCP Elysian Aspen Owner LLC				10,059,170	5	1.19%
Maroon Creek LLC				6,544,990	7	0.77%
Starwood Vacation Ownership				6,506,860	9	0.77%
Total	<u>\$ 151,655,930</u>		<u>9.61%</u>	<u>\$ 111,434,230</u>		<u>13.15%</u>

Source: Pitkin County Assessor

**City of Aspen, Colorado
Sales & Lodging Tax Receipts
Last Ten Years**

Year	Share of County Tax Receipts¹	1.0% Original Parks and Open Space Sales Tax Receipts	0.25% Parking Garage Certificates of Participation Sales Tax Receipts	0.15% Transportation Sales Tax Receipts²	0.45% Affordable Housing / Daycare Sales Tax Receipts	0.5% Additional Parks and Open Space Sales Tax Receipts	2.0% Lodging Tax Receipts³	Total Sales & Lodging Tax Receipts
2007	7,075,917	5,005,157	1,251,288	-	2,252,141	2,502,578	1,151,308	19,238,389
2008	7,035,890	5,234,176	1,308,170	-	2,354,856	2,617,088	1,238,822	19,789,002
2009	5,724,719	4,464,087	777,255	203,134	2,008,199	2,232,001	915,808	16,325,203
2010	6,075,201	4,668,042	-	699,947	2,100,235	2,334,721	1,009,083	16,887,229
2011	6,551,871	5,000,924	-	749,830	2,250,544	2,500,462	2,132,924	19,186,555
2012	6,807,031	5,284,122	-	792,288	2,372,541	2,642,062	2,368,283	20,266,327
2013	7,297,494	5,617,386	-	842,543	2,527,621	2,808,018	2,555,331	21,648,393
2014	7,811,681	6,233,684	-	934,972	2,804,906	3,116,064	2,885,188	23,786,495
2015	8,434,831	6,689,068	-	1,003,256	3,009,760	3,343,642	3,189,844	25,670,401
2016	8,793,732	7,136,542	-	1,068,662	3,212,930	3,567,156	3,514,720	27,293,742

¹ 43% of Pitkin county's 2% sales tax is distributed to Pitkin County and 57% is distributed to municipalities within Pitkin County based upon actual sales taxes collected during the pervious years.

² 0.15% sales tax replaced the 0.25% sales tax effective September 1, 2009.

³ A 1.0% City lodging tax was increased to 2% effective January 1, 2011.

Source: City of Aspen Finance Department

City of Aspen, Colorado
Taxable Retail Sales by Industry
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Tourist Accommodations	\$ 146,478,172.00	\$ 149,209,243.00	\$ 115,786,026.00	\$ 124,308,501.00	\$ 128,522,880.00	\$ 138,591,054.00	\$ 153,727,187.00	\$ 173,635,530.00	\$189,831,386.00	\$208,947,063.00
Restaurants & Bars	90,401,978	92,257,742	82,689,868	85,458,105	92,699,560	95,940,604	100,891,302	111,574,533	117,775,032	125,401,898
Clothing Stores⁴	50,092,307	45,793,576	39,025,470	41,423,602	46,069,445	48,277,812	48,947,981	54,826,951	57,038,634	57,460,749
Food & Drug Stores	49,183,681	51,074,813	48,684,701	46,617,240	47,496,663	48,671,552	49,623,555	51,969,320	52,783,189	55,394,104
Sports Equipment & Clothing	33,327,141	33,488,372	29,682,866	31,595,976	35,011,080	38,178,008	40,994,176	46,102,802	46,902,333	48,991,626
Utilities & Tele-communications	36,804,577	40,869,733	40,161,024	38,474,465	38,190,547	38,848,083	40,586,303	41,206,036	42,308,662	43,229,802
General Retail & Construction	56,677,159	52,621,603	40,473,812	41,860,105	54,408,309	60,504,055	63,865,985	64,677,897	69,871,504	26,246,265
Automobile¹	-	-	-	13,541,503	13,290,185	13,061,869	15,712,733	18,716,363	22,387,210	21,645,903
Specialty Retail	15,581,475	14,472,973	10,823,636	11,894,223	13,842,881	13,540,464	14,260,671	16,790,381	17,862,837	16,179,750
Jewelry/Gallery/Fur Stores ²	10,342,420	8,201,180	4,829,312	9,951,597	11,325,629	10,988,150	10,433,945	12,355,346	12,722,652	10,199,286
Liquor & Marijuana Stores	8,126,731	8,504,841	7,940,907	7,842,742	8,273,060	8,582,513	8,970,004	13,360,743	18,241,950	20,298,287
Galleries²	5,067,914	4,771,231	2,194,287	-	-	-	-	-	-	-
Fur Stores²	1,231,765	1,114,114	898,372	-	-	-	-	-	-	-
T-Shirt Stores³	1,979,113	1,659,871	-	-	-	-	-	-	-	-
Miscellaneous Retail⁴	3,756,655	2,457,847	2,035,372	1,770,193	15,283,910	16,372,919	18,875,713	18,751,537	18,323,998	23,839,502
Total Taxable Sales	\$ 509,051,088.00	\$ 506,497,139.00	\$ 425,225,653.00	\$ 454,738,252.00	\$ 504,414,149.00	\$ 531,557,083.00	\$ 566,889,555.00	\$ 623,967,439.00	\$666,049,387.00	\$657,834,235.00

¹ In 2010, the City began reporting Automobile Sales in a separate category (previously reported in General Retail).

² In 2010, the City began reporting Gallery and Fur sales in the Jewelry/Gallery/Fur category.

³ In 2009, the City began reporting T-Shirt Store sales in the Clothing Store category.

⁴ In 2011, the City re-classified how some business were categorized. Banks & Financial institutions, Health/Beauty and Business Suppliers are now included in "Miscellaneous Retail".

Source: City of Aspen Finance Department

**City of Aspen, Colorado
Real Estate Transfer Tax Receipts
Last Ten Years**

Fiscal Year	0.50% Wheeler Opera House Real Estate Transfer Tax	1.0% Affordable Housing Real Estate Transfer Tax	Total Real Estate Transfer Taxes
2007	5,272,106	9,755,656	15,027,762
2008	3,077,447	5,733,377	8,810,824
2009	3,185,757	5,881,378	9,067,135
2010	3,351,365	6,370,311	9,721,676
2011	2,801,692	5,233,329	8,035,021
2012	3,465,397	6,592,914	10,058,312
2013	3,120,977	5,678,816	8,799,793
2014	4,496,239	8,387,972	12,884,211
2015	5,392,273	10,020,525	15,412,798
2016	3,342,440	6,293,074	9,635,514

Source: City of Aspen Finance Department

City of Aspen, Colorado
Parks and Open Space Sales Tax Receipts by Month
Last Ten Years

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
January	\$ 870,636	\$ 1,052,093	\$ 702,978	\$ 889,585	\$ 871,025	\$ 980,546	\$ 997,494	\$ 1,022,753	\$ 1,192,612	\$ 1,184,851
February	826,998	824,610	859,243	739,153	774,568	833,162	877,354	997,154	1,088,343	1,116,542
March	946,986	1,207,437	765,661	819,460	853,049	938,694	1,002,021	1,117,521	1,142,502	1,199,908
April	339,804	358,311	308,939	304,465	316,092	316,198	329,776	398,606	438,915	432,251
May	256,690	275,793	248,581	237,754	248,571	286,224	300,333	337,240	323,927	360,410
June	588,822	570,538	488,273	510,379	552,090	660,948	671,355	771,366	752,640	874,319
July	783,397	790,622	656,948	749,798	807,957	856,331	901,962	1,046,838	1,110,992	1,161,358
August	703,875	747,022	635,900	630,786	695,937	735,108	809,207	914,860	910,422	1,023,965
September	540,173	497,108	475,736	501,009	544,893	540,309	572,692	615,427	734,235	821,800
October	341,642	299,632	302,846	286,760	319,576	326,900	373,021	386,833	439,230	463,151
November	305,214	301,184	278,342	309,658	336,862	341,536	332,060	370,645	399,315	433,543
December	1,003,498	926,914	972,641	1,023,956	1,180,766	1,110,228	1,258,129	1,370,505	1,499,578	1,660,309
Total	\$ 7,507,735	\$ 7,851,264	\$ 6,696,088	\$ 7,002,763	\$ 7,501,386	\$ 7,926,184	\$ 8,425,404	\$ 9,349,748	\$ 10,032,711	\$ 10,732,407

Source: City of Aspen Finance Department.

City of Aspen, Colorado
Ten Largest Parks and Open Space Sales Tax Remitters
Current Year and Five Years Ago

2016	
Business Name¹	Industry
Aspen Club Lodge Properties, LLC	Tourist Accommodations
Aspen Skiing Company	Tourist Accommodations
Aspen Square Condominium Association	Tourist Accommodations
City Market	Food and Drug
Frias Properties of Aspen	Tourist Accommodations
Iconic Properties	Tourist Accommodations
Pitkin County Motor Vehicle	Automobile
St. Regis of Aspen	Tourist Accommodations
The Gant	Tourist Accommodations
The Little Nell	Tourist Accommodations

2011	
Business Name¹	Industry
Aspen Club Lodge	Tourist Accommodations
Aspen Meadows Resort	Tourist Accommodations
Aspen Square Condominium Association	Tourist Accommodations
City Market	Food and Drug
Frias Properties of Aspen	Tourist Accommodations
Iconic Properties	Tourist Accommodations
Limelight Hotel	Tourist Accommodations
St. Regis of Aspen	Tourist Accommodations
The Gant	Tourist Accommodations
The Little Nell	Tourist Accommodations

¹ Businesses' names are listed in alphabetic order.

Source: City of Aspen Finance Department.

City of Aspen, Colorado
Major Revenue Sources - Governmental Funds
Last Ten Years

	<u>Taxes¹</u>	<u>Licenses and Permits</u>	<u>Inter- governmental</u>	<u>Charges for Services²</u>	<u>Fines and Forfeits</u>	<u>Rents</u>	<u>Earnings on Investments</u>	<u>Other</u>	<u>Total</u>
2007	40,079,836	1,448,116	489,554	22,123,973 ³	79,767	1,494,711	3,417,454	9,551,953	78,685,364
2008	36,716,822	2,171,593	490,005	5,743,510	118,177	2,283,018 ⁴	2,989,745	11,439,539 ⁵	61,952,409
2009	33,794,735	1,522,715	1,192,789	4,115,188	103,030	1,274,949	2,256,949	6,817,187	51,077,542
2010	35,900,094	1,482,339	1,132,873	4,500,606	89,406	1,824,409	921,237	6,500,639	52,351,603
2011	35,964,285	2,230,570	865,194	5,223,000	101,006	1,586,568	514,694	4,426,496	50,911,813
2012	38,957,175	2,363,080	792,260	5,572,160	65,785	1,654,379	647,936	2,350,167	52,402,942
2013	39,735,455	3,149,349	942,744	6,833,099	56,321	1,877,511	54,047	4,105,214	56,753,740
2014	48,138,727	4,440,976	634,766	17,167,684 ⁶	57,179	1,891,512	747,128	2,775,344	75,853,316
2015	52,764,713	4,433,876	763,524	8,547,638	57,402	2,022,601	773,191	2,346,910	71,709,855
2016	49,148,357	6,966,216	706,088	8,491,584	51,899	1,956,307	817,221	4,034,956	72,172,628

¹ Includes, among other tax revenues, sales taxes, real estate transfer taxes, and property taxes.

² Charges for Services are those revenues derived from services provided that are deemed to be mission-related for each fund. Examples include, but are not limited to, fees for the use of recreational facilities, building permits and sprinkler fees.

³ The increase in Charges for Services in 2007 was the result of approximately \$16 million in sales of affordable housing units at Burlingame Ranch.

⁴ The increase in Rents in 2008 was primarily due to lease payments of \$606,000 from BMC West Corporation. The City acquired the property in late 2007.

⁵ The increase in "Other" revenue in 2008 was the result of a \$2,734,411 in lieu of development fee charged to the Limelight Lodge for affordable housing.

⁶ The increase in Charges for Services in 2014 was primarily the result of \$8,777,482 in sales of affordable housing units at Burlingame Ranch Phase II.

Source: City of Aspen Finance Department.

**City of Aspen, Colorado
Outstanding Debt by Type
Last Ten Years**

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Estimated Personal Income ¹	Per Capita
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Special Assessment Bonds	Housing Facility General Obligation Bonds	General Obligation Bonds	Notes Payable	Sales Tax Revenue Bonds			
2007	-	33,767,828	9,565,000	-	15,319,844	-	-	1,242,071	59,894,743	8.21%	9,276
2008	-	32,475,972	8,795,000	-	10,410,602	5,522,689	-	1,154,543	58,358,806	7.14%	8,947
2009	-	31,855,955	8,110,000	-	10,282,421	5,396,221	-	1,064,037	56,708,634	6.65%	8,332
2010	-	30,347,745	7,985,000	-	9,428,047	5,264,789	-	970,554	53,996,135	7.72%	7,675
2011	-	28,808,030	7,850,000	-	8,617,961	5,128,393	-	873,499	51,277,883	7.81%	7,701
2012	-	31,928,051	7,710,000	-	7,639,760	4,992,035	-	772,871	53,042,717	7.62%	8,005
2013	-	32,919,457	7,560,000	-	6,651,701	4,850,714	-	668,074	52,649,946	6.43%	7,913
2014	-	35,070,661	7,405,000	-	5,663,980	4,704,433	-	559,111	53,403,185	7.29%	7,956
2015	-	32,588,901	7,240,000	-	4,646,715	4,553,193	-	440,987	49,469,796	6.41%	7,232
2016	-	30,140,891	7,065,000	-	3,620,301	4,396,996	8,500,914	316,592	54,040,694	7.00%	7,901

¹ Pitkin County Estimated Personal Income. See page J29 for additional details.

City of Aspen, Colorado
Ratios of Bonded Debt Outstanding
Last Ten Years

Fiscal Year	General Obligation Bonds	Certificates of Participation	Sales Tax Revenue Bonds	Special Assessment Bonds	Total Bonded General Obligation Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2007	15,319,844	9,565,000	35,009,899	-	15,319,844	1.24%	2,373
2008	15,933,291	8,795,000	33,630,515	-	15,933,291	1.27%	2,443
2009	15,678,642	8,110,000	32,919,992	-	15,678,642	0.93%	2,304
2010	14,692,836	7,985,000	31,318,299	-	14,692,836	0.87%	2,089
2011	13,746,354	7,850,000	29,681,529	-	13,746,354	1.08%	2,064
2012	12,631,795	7,710,000	32,700,922	-	12,631,795	0.99%	1,906
2013	11,502,415	7,560,000	33,587,531	-	11,502,415	0.93%	1,729
2014	10,368,413	7,405,000	35,629,772	-	10,368,413	0.83%	1,545
2015	9,199,908	7,240,000	33,029,888	-	9,199,908	0.62%	1,345
2016	8,017,297	7,065,000	30,457,483	-	8,017,297	0.54%	1,172

Source: City of Aspen Finance Department

City of Aspen, Colorado
Direct and Overlapping Governmental Activities Debt
As of December 31, 2016
(in thousands)

<u>Overlapping Debt</u>	<u>Total General Obligation Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Aspen School District	\$ 41,340	54.223%	\$ 22,416
Pitkin County	18,857	50.396%	9,503
Total Overlapping Debt	<u>\$ 60,197</u>		<u>31,919</u>
City of Aspen Direct Debt			<u>37,206</u>
Total Direct and Overlapping Debt			<u>\$ 69,125</u>

¹ For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable assessed value that is within the City's boundaries and dividing it by each unit's total taxable assessed value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Aspen. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and the businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: Assessed value data used to estimate applicable percentages provided by the Pitkin County Assessor. Debt outstanding provided by each governmental unit.

City of Aspen, Colorado
Legal Debt Margin Information
Last Ten Years
(in thousands)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Debt Limit	\$ 246,146	\$ 250,611	\$ 337,682	\$ 337,285	\$ 255,152	\$ 255,552	\$ 246,986	\$ 248,442	\$ 298,433	\$ 296,600
Total net debt applicable to limit	15,320	15,933	15,679	14,693	13,746	12,632	11,502	10,368	8,017	7,065
Legal Debt Margin	<u>\$ 230,826</u>	<u>\$ 234,678</u>	<u>\$ 322,003</u>	<u>\$ 322,592</u>	<u>\$ 241,406</u>	<u>\$ 242,920</u>	<u>\$ 235,484</u>	<u>\$ 238,073</u>	<u>\$ 290,415</u>	<u>\$ 289,535</u>
Total net debt applicable to limit as a percentage of debt limit	6.224%	6.358%	4.643%	4.356%	5.388%	4.943%	4.657%	4.173%	2.686%	2.382%

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed value ¹	\$ 1,482,998,410
Debt limit (20% of assessed value)	296,599,682
Debt applicable to limit:	
General Obligation Bonds	7,065,000
Total net debt applicable to limit	<u>7,065,000</u>
Legal debt margin	<u>\$ 289,534,682</u>

¹ Source: Pitkin County Assessor

**City of Aspen, Colorado
Pledged Revenue Coverage
Last Ten Years**

Sales Tax Revenue Bonds					Debt Service		
Fiscal Year	Share of County Tax Receipts ¹	1.0% Original Parks and Open Space Sales Tax Receipts	0.5% Additional Parks and Open Space Sales Tax Receipts ²	Total Pledged Revenues	Principal	Interest	Coverage
2007	7,075,917	5,005,157	2,502,578	7,507,735	1,245,000	1,642,188	2.60
2008	7,035,890	5,234,176	2,617,088	7,851,264	1,285,000	1,594,512	2.73
2009	5,724,719	4,464,087	2,232,001	6,696,088	1,330,000	1,547,538	2.33
2010	6,075,201	4,668,042	2,334,721	7,002,763	1,470,000	1,366,574	2.47
2011	6,551,871	5,000,924	2,500,462	7,501,386	1,505,000	1,336,168	2.64
2012	6,807,031	5,284,122	2,642,062	7,926,184	1,550,000	1,278,225	2.80
2013	7,297,494	5,617,386	2,808,018	8,425,404	1,665,000	868,370	3.33
2014	7,811,681	6,233,684	3,116,064	9,349,748	1,725,000	1,113,429	3.29
2015	8,434,831	6,689,068	3,343,642	10,032,710	2,155,000	1,133,484	3.05
2016	8,793,732	7,136,542	3,567,156	10,703,698	1,165,000	889,100	5.21

¹ The City share of the County Sales Tax plus the 1.0% Original Parks and Open Space Tax were pledged against the Series 1995 Sales Tax Refunding Bonds.

² The 0.5% Additional Parks and Open Space Sales Tax did not go into effect until January 1, 2001. The Original 1.0% and the 0.5% Additional Sales Taxes are pledged to all issuances of Sales Tax Revenue Bonds after January 1, 2001.

City of Aspen, Colorado
Debt Service Requirements¹
Current Year through Final Maturity

Year	The Bonds		Other Outstanding General Obligation Debt ²	Annual Total
	Principal	Interest		
2016	410,000	23,200	1,065,880	1,499,080
2017	375,000	15,000	1,062,455	1,452,455
2018	-	-	1,061,580	1,061,580
2019	-	-	1,067,093	1,067,093
2020	-	-	1,065,155	1,065,155
2021	-	-	1,056,755	1,056,755
2022	-	-	356,985	356,985
2023	-	-	358,795	358,795
2024	-	-	354,980	354,980
2025	-	-	355,950	355,950
2026	-	-	356,270	356,270
2027	-	-	356,150	356,150
2028	-	-	355,350	355,350
2029	-	-	359,100	359,100
2030	-	-	356,512	356,512
2031	-	-	358,450	358,450
2032	-	-	354,675	354,675
2033	-	-	355,425	355,425
2034	-	-	355,462	355,462
2035	-	-	204,457	204,457
Total	<u>\$ 785,000</u>	<u>\$ 38,200</u>	<u>\$ 11,217,479</u>	<u>\$ 12,040,679</u>

¹ Assumes no optional redemptions prior to maturity.

² Includes the principal and interest of the City's other outstanding general obligation debt, which consists of the City's General Obligation Electric Utility Bonds, Series 2008 and General Obligation Refunding Bonds, Series 2009.

Source: City of Aspen Finance Department.

City of Aspen, Colorado
Historical Revenues Available for the Payment of Debt Service-Affordable Housing Fund
Last Ten Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Revenue:										
Real Estate Transfer Tax	\$ 9,755,656	\$ 5,731,302	\$ 5,881,378	\$ 6,370,311	\$ 5,233,329	\$ 6,592,914	\$ 5,678,816	\$ 8,387,972	\$ 10,020,525	\$ 6,293,074
Sales Tax	2,252,141 ²	1,059,498	903,435	944,433	1,013,662	1,072,416	1,141,378	1,267,533	1,358,733	1,449,290
Other ¹	19,811,765 ²	6,017,302	1,484,118	1,515,285	4,044,742	1,321,251	2,766,907	10,713,580	8,999,000	2,342,507
Total Revenue	<u>\$ 31,819,562</u>	<u>\$ 12,808,102</u>	<u>\$ 8,268,931</u>	<u>\$ 8,830,029</u>	<u>\$ 10,291,733</u>	<u>\$ 8,986,581</u>	<u>\$ 9,587,101</u>	<u>\$ 20,369,085</u>	<u>\$ 20,378,258</u>	<u>\$ 10,084,871</u>

¹ Includes charges for services, development fees, refund of expenditures, earnings on investments, and miscellaneous.

² In 2006 and 2007, the Affordable Housing Fund was combined with the Kids First/Daycare Fund. Sales tax and other revenues for the Kids First/Daycare operation are included in those years.

Source: City of Aspen Finance Department.

City of Aspen, Colorado
Historical Revenues Available for the Payment of Debt Service-Truscott Housing Fund
Last Ten Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015³</u>	<u>2016⁴</u>
Gross Revenues ¹	\$ 1,111,209	\$ 1,087,387	\$ 1,060,101	\$ 1,038,565	\$ 1,045,467	\$ 1,054,785	\$ 1,075,910	\$ 1,128,715	\$ 1,140,218	\$ 1,546,354
Less Operating and Capital Expenses	(572,509)	(903,092) ²	(907,105) ²	(619,379)	(712,421)	(714,598)	(681,079)	(688,839)	(1,972,362)	(1,303,097)
Net Revenues Available	<u>\$ 538,700</u>	<u>\$ 184,295</u>	<u>\$ 152,996</u>	<u>\$ 419,186</u>	<u>\$ 333,046</u>	<u>\$ 340,187</u>	<u>\$ 394,831</u>	<u>\$ 439,876</u>	<u>\$ (832,144)</u>	<u>\$ 243,257</u>

¹ Includes operating revenues comprised primarily of rents and royalties, and non-operating revenues comprised primarily of earning on investments.

² In 2008 and 2009, operating and capital expenses were slightly elevated due to one-time capital improvements.

³ In 2015, there was \$1,350,000 of transfers in, meant to cover the increase in capital projects.

⁴ In 2016, the Truscott Housing Fund received a local energy grant for \$320 thousand, to help fund a capital project for energy efficiency upgrades.

Source: City of Aspen Finance Department.

**City of Aspen, Colorado
Demographic and Economic Statistics
Last Ten Years**

Fiscal Year	Population¹	Estimated Personal Income (<i>in thousands</i>)	Per Capita Income²	Unemployment Rate³
2007	6,457	729,305	112,948	2.7%
2008	6,523	817,332	125,300	3.3%
2009	6,806	852,499	125,257	6.7%
2010	7,035	699,694	99,459	8.3%
2011	6,659	656,451	98,581	8.0%
2012	6,626	696,479	105,113	7.2%
2013	6,654	818,668	123,034	6.5%
2014	6,712	732,494	109,132	4.9%
2015	6,840	771,525	112,796	3.8%
2016	7,099	895,447	126,137	3.4%

¹ State of Colorado, Department of Local Affairs, Division of Local Government, Denver, Colorado (<https://www.colorado.gov/pacific/dola/node/104471>).

² Pitkin County Per Capita Income figures per U.S. Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov/index.htm>).

³ Real Estate Center, Texas A&M University (<http://recenter.tamu.edu/data/emp/empc/cntykn080970.asp>).

**City of Aspen, Colorado
Principal Employers
Current Year and Nine Years Ago**

Employer	2016 Estimated Employees¹	Rank	2007 Estimated Employees	Rank
Aspen Skiing Company	3,400	1	3,675	1
Pitkin County/City of Aspen	625	2		
Little Nell Hotel	400	3		
St. Regis Hotel	350	4	333	5
Aspen Valley Hospital	300	5	421	4
Hotel Jerome	250	6	184	10
Aspen Sports	200	7		
City Market	110	8		
Aspen School District No. 1	210	9	229	7
Clark's Market	65	10		
Silvertree Hotel of Snowmass			477	2
City of Aspen			434	3
Pitkin County			245	6
RFTA			191	8
Ritz Carlton			190	9

¹ 2007 estimated employees includes Aspen and Snowmass Village employers.

Total city employment data is not available; percentage of total city employment cannot be determined.

Source: Aspen Resort Chamber Association

City of Aspen, Colorado
Full-time Equivalent City Government Employees by Program
Last Ten Years

Program	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General government	79	84	77	71	69	71	72	72	79	83
Public Safety	36	35	36	34	35	35	35	36	42	37
Public Works	19	22	21	20	21	22	21	23	25	29
Public Health and Welfare	10	11	12	11	9	10	12	12	14	16
Culture and Recreation	107	106	103	98	98	100	102	105	109	107
Water	23	26	27	26	25	27	27	26	25	22
Electric	4	5	4	4	4	4	4	4	5	5
Parking	9	9	9	8	9	9	9	8	7	10
Golf	11	10	8	16	13	14	13	16	14	11
Affordable Housing	12	13	14	13	11	12	13	13	12	13
Total:	310	321	311	301	294	304	308	315	332	333

Source: City Finance Department

City of Aspen, Colorado
Operating Indicators by Function/Program
Last Ten Years

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
General Government										
Building permits issued	404	372	326	513	489	464	489	441	519	580
Building inspections conducted	2,260	2,072	1,402	1,156	1,268	1,356	1,697	1,973	2,074	1,919
Certificates of occupancy & letters of completion issued	163	327	402	408	518	482	264	318	178	92
Police¹										
Number of crimes	841	890	658	780	858	967	921	830	962	879
Traffic Citations	296	439	809	486	557	289	243	290	144	156
Traffic Accidents	757	675	738	589	596	582	645	687	660	653
Public Works										
Square yards reconstructed ²	0	0	0	0	0	0	0	0	0	0
Square yards overlaid	³	³	64,000	63,894	51,808	0	45,006	0	0	73,598
Square yards seal coated ²	0	0	0	0	0	0	0	0	0	0
Transit										
Passengers	1,097,074	1,194,191	1,094,369	1,019,665	1,061,859	1,064,505	1,089,856	1,110,338	1,032,704	1,400,181
Free bus routes	8	8	8	8	8	8	8	8	8	8
Utility										
New taps issued	77	41	26	7	5	11	21	12	15	10

¹ Estimated statistics

² No road reconstruction or seal coating has been done since 1999

³ No asphalt work was done in 2007 and 2008 due to lack of asphalt oil availability

Source: City of Aspen departmental data

**City of Aspen, Colorado
Capital Asset Statistics by Program
Last Ten Years**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Parks										
Developed acres	¹	38.28	40.93	42.63	42.63	41.00	41.00	41.00	41.00	41.00
Undeveloped acres	¹	970	1,088	2,022	2,022	2,060	2,060	2,061	2,061	2,061
Paved trails (linear miles)	¹	14.16	13.71	14.16	14.16	13.94	13.94	13.94	13.94	13.94
Unpaved trails (linear miles)	¹	8.46	8.91	8.46	8.46	8.92	17.50	18.43	20.18	22.91
Nordic trails (linear miles) ²	¹	58.20	58.20	58.20	58.20	58.20	58.20	59.50	59.50	59.50
Police										
Stations	1	1	1	1	1	1	1	1	1	1
Licensed vehicles	17	17	15	16	16	16	17	18	22	19
Public Services										
Streets (lane miles)	30.16	30.16	30.16	30.16	30.16	30.16	30.16	30.30	30.30	30.30
Street lights	433	433	433	435	435	435	435	435	435	435
Transit										
Buses	¹	16	18	18	18	18	18	18	18	18
Utility										
Electric switch stations	1	1	1	1	1	1	1	1	1	1

¹ Data unavailable

² Winter season only and located in the City of Aspen, Pitkin County, and Town of Snowmass Village. All maintained by the City of Aspen.

Source: City of Aspen departmental data

City of Aspen, Colorado

**2016 Comprehensive Annual
Financial Report**

Finance Department

**130 South Galena Street
Aspen, CO 81611**

