

2018

Pitkin County

Colorado



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended
December 31, 2018

PITKIN
COUNTY

FINANCE



Pitkin County, Colorado
Comprehensive Annual Financial Report
For the Year Ended December 31, 2018

Prepared by the Finance Department of Pitkin County



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Table of Contents

<u>Introductory Section:</u>	Page
Letter of Transmittal	i - v
GFOA Certificate of Achievement	vi
Organizational Chart	vii
List of Principal Officers	viii
<u>Financial Section:</u>	
Independent Auditor's Report	A1 - A3
Management's Discussion and Analysis	B1 - B16
Basic Financial Statements:	
Government-wide Financial Statements	
Statement of Net Position	C1
Statement of Activities	C2
Fund Financial Statements	
Balance Sheet - Governmental Funds	C3
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	C4
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	C5
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C6
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	C7
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Transportation Sales and Use Tax Fund	C8
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Open Space and Trails Fund	C9
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Employee Housing Impact Fund	C10
Statement of Net Position – Proprietary Funds	C11
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	C12
Statement of Cash Flows – Proprietary Funds	C13
Statement of Fiduciary Net Position – Fiduciary Funds	C14
Statement of Changes in Net Position – Retirement Trust Fund	C15
Balance Sheet – Discretely Presented Component Unit	C16
Statement of Revenues, Expenses, and Changes in Fund Net Position with Reconciliation to the Statement of Net Position – Discretely Presented Component Unit	C17
Notes to the Financial Statements	D1 - D28
<i>The accompanying notes are an integral part of the financial statements.</i>	

(continued)

Table of Contents

<u>Financial Section (continued):</u>	Page
Supplementary Information:	
Nonmajor Governmental Funds:	
Combining Balance Sheet – Nonmajor Governmental Funds	E1
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	E2
Schedule of Revenues, Expenditures, and Changes in Fund Balances:	
Road and Bridge Fund – Budget (GAAP Basis) and Actual	E3
Human Services Fund – Budget (GAAP Basis) and Actual	E4
Translator Fund – Budget (GAAP Basis) and Actual	E5
Healthy Community Fund – Budget (GAAP Basis) and Actual	E6
Conservation Trust Fund – Budget (GAAP Basis) and Actual	E7
Healthy Rivers and Streams Fund – Budget (GAAP Basis) and Actual	E8
Ambulance District Fund – Budget (GAAP Basis) and Actual	E9
Redstone Ranch Acres GID Fund – Budget (GAAP Basis) and Actual	E10
Twining Flats GID Fund – Budget (GAAP Basis) and Actual	E11
Public Health Fund – Budget (GAAP Basis) and Actual	E12
Sales Tax Debt Service Fund – Budget (GAAP Basis) and Actual	E13
Capital Fund – Budget (GAAP Basis) and Actual	E14
Proprietary Funds:	
Schedule of Revenues, Expenses, and Changes in Net Position:	
Airport Fund – Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP	F1
Solid Waste Center Fund – Budget (Non-GAAP Basis) and Actual with Reconciliation to GAAP	F2
Fiduciary Funds:	
Combining Statement of Changes in Assets and Liabilities	G1
Discretely Presented Component Units:	
Schedule of Revenues, Expenses, and Changes in Net Position:	
Pitkin County Library District – Budget (GAAP Basis) and Actual	H1
Schedule of Passenger Facility Charges (PFC) Collected and Expended	I1
Local Highway Finance Report	I2-I3
 <u>Statistical Section:</u>	
Financial Trends:	
Net Position by Component	J1
Changes in Net Position	J2 - J3
Fund Balances - Governmental Funds	J4
Changes in Fund Balances - Governmental Funds	J5
History of General Fund Revenues, Expenditures, and Changes in Fund Balance	J6

(continued)

Table of Contents

	Page
Revenue Capacity:	
General Government Revenues by Source	J7
General Governmental Tax Revenues by Source	J8
Assessed Value and Actual Value of Taxable Property	J9
Direct and Overlapping Property Tax Rates	J10
Property Tax Levies - Direct and Overlapping Governments	J11
Principal Property Tax Payers	J12
Property Tax Levies and Collections	J13
Sales Tax Receipts	J14
Principal Sales Tax Remitters	J15
Sales Tax Revenue Bond Coverage	J16
Debt Capacity:	
Outstanding Debt by Type	J17
Ratios of Bonded Debt Outstanding	J18
Computation of Legal Debt Margin - General Obligation Debt	J19
Demographic and Economic Data:	
Demographic and Economic Statistics	J20
Principal Employers	J21
Operating Information:	
Full-Time Equivalent County Government Employees	J22
Operating Indicators by Function/Program	J23 - J24
Capital Asset Statistics by Function/Program	J25 - J26
Aspen-Pitkin County Airport Operations and Enplaned Passengers	J27
<u>Statutory Report Section - Single Audit Reports and Schedules:</u>	
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	K1 - K2
Independent Auditor's Report on Compliance for Each Major Federal Program; on Compliance with the Passenger Facility Charge Program; and on Internal Control Over Compliance Required by the Uniform Guidance and the <i>Passenger Facility Charge Audit Guide for Public Agencies</i>	K3 - K4
Schedule of Findings and Questioned Costs	K5
Schedule of Prior Audit Findings and Questioned Costs	K6
Schedule of Expenditures of Federal Awards	K7 - K9

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**PITKIN
COUNTY**



INTRODUCTORY SECTION

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LETTER OF TRANSMITTAL

June 12, 2019

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

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

Pursuant to those requirements we hereby present the Comprehensive Annual Financial Report (CAFR) of Pitkin County, Colorado for the fiscal year ended December 31, 2018. This report was prepared by the Finance Department of Pitkin County. Responsibility for both the accuracy of the presented data and the completeness and fairness of presentation, including all disclosures, rests with the County. We believe the data are accurate in all material respects and presented in a manner designed to set forth fairly the financial activity of the various funds. All disclosures necessary for the reader to gain the maximum understanding of the County's financial affairs have been included.

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

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

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

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

PROFILE OF PITKIN COUNTY

Location and Demographics

Pitkin County, formed in 1881, is located approximately 210 miles west of Denver and 120 miles east of Grand Junction in the Colorado Rocky Mountains. The County encompasses 973 square miles, of which approximately 81% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is 17,950 in July 2018, the latest date for which data is available. The County seat is Aspen.

Operating Structure

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

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

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

Services

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

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

Component Units

This report includes all activities for which the BOCC is accountable, financially or by State statute, to the citizens of Pitkin County. All applicable funds, departments and offices are included in these financial statements as part of the "primary government" of Pitkin County. Component units are legally separate

entities for which the primary government is financially accountable. Blended component entities are, in substance, part of the primary government's operations and are included as part of the primary government. Accordingly, two road improvement districts and the Aspen Ambulance District are reported as special revenue funds of the primary government. Also included as a blended fiduciary component entity is the Pitkin County Public Employees Retirement Plan, which is reported as a pension trust fund. The Pitkin County Library District is reported as a discretely presented component unit. This component unit is reported in a separate column in the combined financial statements to emphasize it is legally separate from the primary government and to differentiate its financial position and changes in financial position from those of the primary government.

Budget

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

ECONOMIC CONDITION OF PITKIN COUNTY

Local Economy

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

Sales tax revenue, a good measure of the health of the tourism industry, has increased steadily over the last nine years, rebounding from its low point in 2009 during the great recession. Average increases during this nine-year period were 6%, with the highest rate in 2013. 2018 sales tax revenue increased 5.7% over 2017. Receipt of the revenue is spread consistently throughout the year with the six winter months of December through May accounting for approximately 60% of the annual total, while the months of June through November account for the remainder. The County estimates spending by area residents and second homeowners accounts for approximately 38% of total sales tax collections.

After strong growth since 2011, building permit fees moderated in 2018 as volume and valuation growth steadied. The sales volume of real estate in Pitkin County totaled over \$1.8 billion in 2018, a 6.4% decrease over that of 2017, a year which saw an increase of 28.8%. The slight decline was attributed to a flattening of prices in Aspen where the majority of sales take place.

In Colorado, property valuations are assessed every other year. 2017 was a reassessment year meaning the property tax collected in 2018 was impacted. Valuations increased by 16% however the residential assessment rate was reduced from 7.96% to 7.2% and property tax revenues increased \$1.2 million or 5.4%.

The Aspen - Pitkin County airport moved from third to second busiest commercial airport in the State during 2018. Enplanements increased 16.5% in 2018 over 2017 and over 31% in the last five years.

Overall, the County continues to enjoy strong sustained growth and looking forward, these trends are generally expected to continue in the short-term. County population is forecast to grow approximately

17% over the next decade. The tourism industry is expected to continue to grow as well, with increased activities planned for Snowmass Mountain and rising visitation to the Maroon Bells, a popular tourist attraction. Furthermore, the tourist seasons are becoming longer and ‘shoulder’ seasons shorter.

The speculative residential and commercial real estate investment market remains strong and the outlook for the S&P Global Luxury Index, a good indicator of performance for the County economy, is positive. In particular, strong indicators for assessed values and sales tax growth exist in Snowmass Village, where one million square feet of commercial and residential space will be developed over the next few years. In 2019 several new hotels have been completed and show a positive impact on sales taxes.

However, after almost a decade of sustained growth, there is some long-term uncertainty with a possibility of a national correction. Our economic vitality is linked to a strong equities and investment market and the health of both national and international economies. Political uncertainty, slowing growth, increasing interest rates and a weakening global economy can bring a drop in tourism and real estate investment and thus impact the economy of Pitkin County.

Long-term Financial Planning

As mentioned previously the annual budget serves as the foundation for the County’s financial planning and, as part of this process the County annually updates a five-year plan including review of a ten-year capital replacement schedule. In balancing its budget, the BOCC has adopted the following funding priority order: (1) debt service, (2) basic operations, (3) capital replacement, and (4) capital and service improvements. The County also maintains a minimum fund balance of 16% in the General Fund (including the statutory reserve) to provide a working capital reserve.

Relevant Financial Policies

Pitkin County has a comprehensive set of financial policies. In 2018, there were no changes to policies that would directly affect the County’s financial or budget situation.

Major Initiatives

In 2018, Pitkin County continued to focus on the strategic priorities identified by the Board of County Commissioners and organized within the core focus areas of Flourishing Natural and Built Environment; Livable and Supportive Community; and Prosperous Economy. Highlights included:

- Investment in facilities including the completion of the Administration and Sheriff’s Office building in the County seat of Aspen, and the construction of a new Ambulance facility;
- The completion of the Airport Environmental Assessment and the beginning of the process leading to terminal and airfield improvements;
- Beginning the process of replacing the County’s financial software (Enterprise Resource Planning system); and
- Completion of the County’s 4 Gigabyte middle mile loop broadband infrastructure.


AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Pitkin County, Colorado, for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended December 31, 2017. This was the thirty-sixth consecutive year that Pitkin County has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current CAFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to GFOA to determine its eligibility for another certificate.

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

Respectfully submitted,



Ann Driggers
Finance Director



Jon Peacock
County Manager



Government Finance Officers Association

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

Presented to

**Pitkin County
Colorado**

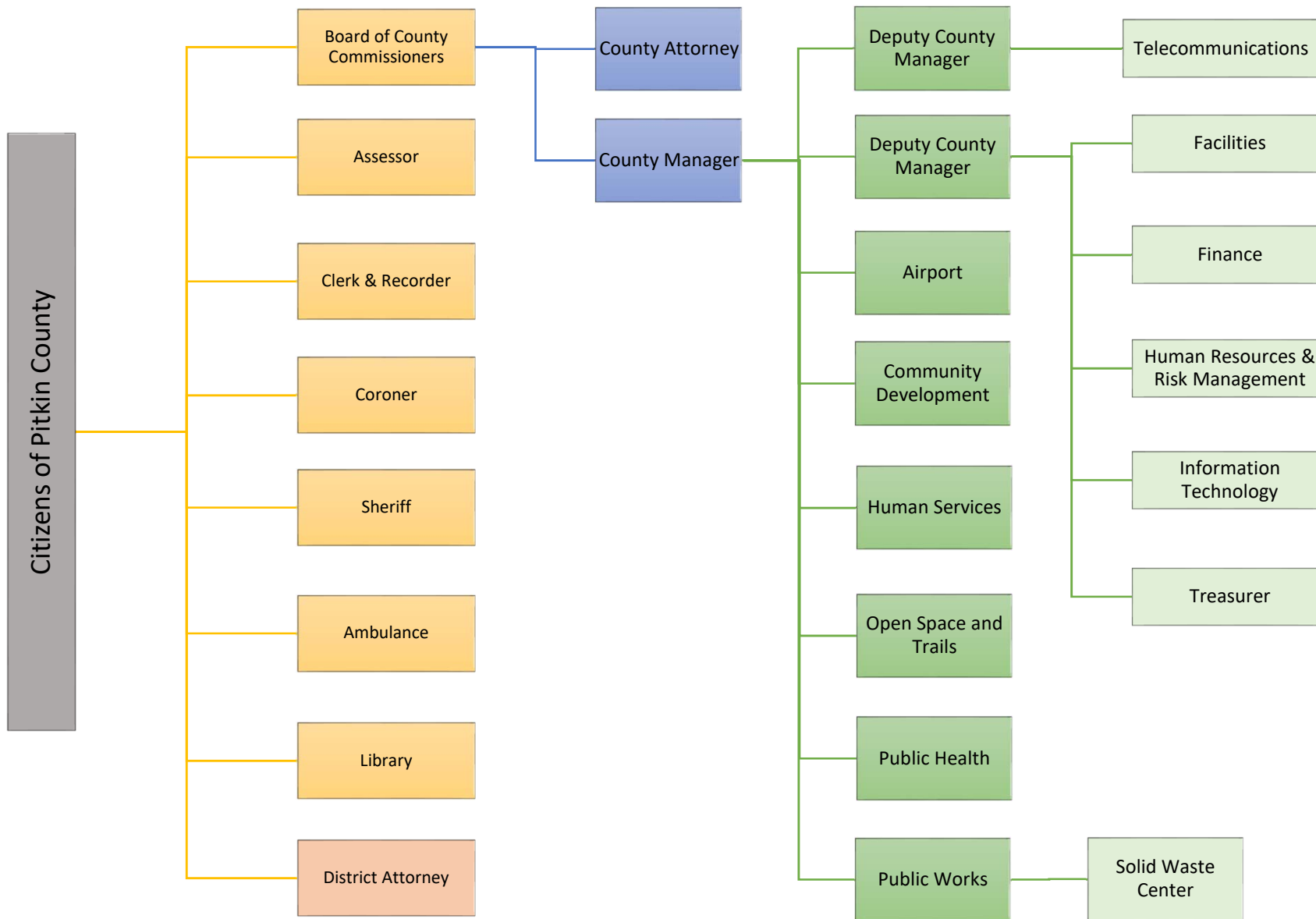
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

December 31, 2017

Christopher P. Morill

Executive Director/CEO

Pitkin County Organization Chart - 2018



Pitkin County Principal Officials - 2018

Board of County Commissioners

Patti Clapper (Vice Chair), District 1

Rachel Richards, District 2

Greg Poschman, District 3

Steve Child, District 4

George Newman (Chair), District 5

Other Elected Officials

Tom Isaac, Assessor

Janice Vos Claudill, Clerk & Recorder

Joe DiSalvo, Sheriff

County Manager

Jon Peacock

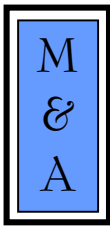
**PITKIN
COUNTY**



FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT



MCMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado (the "County") as of and for the year ended December 31, 2018 and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Member: American Institute of Certified Public Accountants

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis in Section B be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements taken as a whole. The introductory section, combining fund financial statements, individual fund budgetary information, the Schedule of Passenger Facility Charges Collected and Expended, the *Local Highway Finance Report*, and the statistical section listed in the accompanying table of contents are presented for purposes of additional analysis and are not a required part of the County's financial statements. The combining fund financial statements, the individual fund budgetary information, and the *Local Highway Finance Report* are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Additionally, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards included in the Single Audit section are presented for the purpose of additional analysis, as required by the *Passenger Facility Charge Audit Guide for Public Agencies*, issued by the Federal Aviation Administration, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Costs Principles, and Audit Requirements for Federal Awards* (the "Uniform Guidance"), and are not a required part of the County's financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Passenger Facility Charges Collected and Expended and the Schedule of Expenditures of Federal Awards are fairly stated in all material respects in relation to the financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2019 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and on compliance.

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
June 12, 2019

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MANAGEMENT'S DISCUSSION AND ANALYSIS

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MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Pitkin County, Colorado (the County), we offer readers of the County's Comprehensive Annual Financial Statement this narrative overview and analysis of the financial activities of the County for the fiscal year ending December 31, 2018. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found preceding this narrative, and with the County's financial statements and notes to the financial statements, which follow.

FINANCIAL HIGHLIGHTS

- As of December 31, 2018, the County's total assets and deferred outflows of resources were \$461 million, and total liabilities and deferred inflow of resources were \$93 million. The total net position was therefore \$369 million, an increase of 2.6 percent (\$9.5 million) over 2017.
- Total net position comprises the following:
 - (1) Investment in capital assets including property and equipment, net of related debt (if any) and accumulated depreciation, of \$280 million
 - (2) Restricted net position of \$19 million, which is constrained for specific purposes by external providers, such as creditors, or amounts constrained due to constitutional provisions or enabling legislation
 - (3) Unrestricted net position of \$70 million, which represents the portion available to maintain the County's continuing obligations to its citizens and creditors.
- Total governmental fund revenues (including transfers in) in 2018 were \$82 million, a 9 percent (\$6.6 million) increase over 2017.
- Total governmental fund expenditures (including transfers out) in 2018 were \$98 million, a 21 percent (\$17 million) increase over 2017.
- As of December 31, 2018, the County's governmental funds reported combined ending fund balances of \$70 million. This compares to the prior year ending fund balances of \$79 million, a decrease of 11.6 percent (\$9 million) during 2018. The decrease is mainly due to facility construction projects (Ambulance building and Administration and Sheriff's Building) and employee housing acquisitions (Phillips Mobile Home Park and deed restricted housing units). Approximately \$9.4 million (13 percent) is unassigned fund balance.
- At the end of 2018, fund balance for the General Fund was \$19.5 million, amounting to 66 percent of total General Fund expenditures. This compares to the prior year ending fund balance of \$18.8 million, a 3.7 percent (\$687 thousand) increase over 2017.

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

OVERVIEW OF THE FINANCIAL STATEMENTS

This Management Discussion and Analysis document introduces the County's basic financial statements. The basic financial statements include:

- Government-wide Financial Statements
- Fund Financial Statements
- Notes to the Basic Financial Statements

The County also includes in this report additional information to supplement the basic financial statements.

Government-wide Financial Statements

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

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

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

Both government-wide financial statements distinguish governmental activities of the County that are principally supported by taxes, fees and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). Governmental activities include primarily general government, public safety, public works, culture and recreation, and public health and welfare. Business-type activities include the airport and the solid waste center (landfill and recycling).

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

The government-wide financial statements can be found on pages C1 through C2 of this report.

Fund Financial Statements

The fund financial statements are designed to report information about groupings of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like other state and local governments, uses funds to ensure and demonstrate compliance with finance-related laws and regulations. Fund financial statements focus on the County's most significant funds, known as major funds, rather than the County as a whole. Major funds are reported separately while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds are provided in the form of combining statements in a later section of this report.

All the funds of the County fall into one of three types: governmental funds, proprietary funds, and fiduciary funds.

Governmental funds. Most of the services provided by the County are accounted for in governmental funds. Governmental funds are used to account for essentially the same functions, which are reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, the governmental funds financial statements focus on the use of spendable resources during the year and the balances available at the end of the year for future spending. Such information is useful in determining whether there will be adequate financial resources available to meet the current and near-term needs of the County.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate the comparison between governmental funds and governmental activities.

The County's governmental funds are comprised of a general fund, a capital projects fund, a debt service fund and 13 special revenue funds. Five governmental funds, the General Fund, the Open Space and Trails Fund, the Transportation Sales and Use Tax Fund, the Housing Impact Fee Fund and the Capital Expenditures Fund are considered major funds for financial reporting purposes. Each of the major funds is presented in a separate column in the governmental fund financial statements presented on page C5 of this report. Individual fund information for non-major governmental funds is found in combining statements in a later section of this report.

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

The basic governmental fund financial statements are presented on pages C3 through C10 of this report.

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

The basic enterprise fund financial statements are presented on pages C11 through C13 of this report.

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

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

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

Notes to the Basic Financial Statements

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

Other Supplementary Information

In addition to the basic financial statements and accompanying notes, this report presents certain supplementary information to demonstrate compliance with the County's adopted and final revised budget. Budgetary comparison statements are included as "supplementary information," and found in Section E, for the General Fund, the three major special revenue funds and all other non-major special revenue governmental funds.

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GOVERNMENT-WIDE FINANCIAL ANALYSIS

Summary of Net Position

An analysis of net position may serve as a useful indicator of a government’s financial health. The County reports positive balances in its governmental activities, however, this measure must be used with care as the County has investments in infrastructure such as roads and bridges, in addition to land for open space and trails. These assets benefit the citizens and businesses that utilize them. Thus, the County reports them on its government-wide financial statements at their historical cost less accumulated depreciation, as a business would report its capital assets.

Total assets for the County on December 31, 2018 were \$461 million, total liabilities were \$67 million, and deferred inflows of resources were \$25 million. The County’s net position is therefore \$369 million, an increase of 2.6 percent over December 31, 2017. The following provides a summary of the County’s net position:

Pitkin County's Net Position (\$000)							
	Governmental		Business-type		Total		
	Activities		Activities				
	2018	2017	2018	2017	2018	2017	
Assets:							
Current and Other Assets	\$ 107,391	\$ 115,381	\$ 31,280	\$ 30,438	\$ 138,671	\$ 145,819	
Capital assets	246,689	222,212	75,868	77,535	322,557	299,747	
Total Assets	354,080	337,593	107,148	107,973	461,228	445,566	
Deferred Outflows	269	335	-	-	269	335	
Liabilities:							
Long-term liabilities	46,714	42,162	3,209	3,633	49,923	45,795	
Other liabilities	15,319	15,054	2,088	1,684	17,407	16,738	
Total Liabilities	62,033	57,216	5,297	5,317	67,330	62,533	
Deferred Inflows	25,313	23,990	-	-	25,313	23,990	
Net Position:							
Net investment in capital assets	203,922	190,071	75,808	77,484	279,730	267,555	
Restricted	18,398	25,449	1,007	-	19,405	25,449	
Unrestricted	44,683	41,202	25,037	25,172	69,720	66,374	
Total Net Position	\$ 267,003	\$ 256,722	\$ 101,851	\$ 102,656	\$ 368,854	\$ 359,378	

The County continues to maintain strong current ratios. The current ratio compares current assets to current liabilities and is an indication of the ability to pay obligations within one year. The current ratio for governmental activities is 7 to 1. For the County overall, the current ratio is 8 to 1 meaning current assets are eight times greater than current liabilities.

The County reported positive balances in net position for both governmental and business-type activities. Net position increased \$10.3 million for governmental activities and decreased by \$805 thousand for business-type activities. The County's overall total net position increased during 2018 by \$9.5 million. The gain in net position in governmental activities is due to higher revenues compared to 2017, while the decrease in net position in business-type activities is due to an increase in expenses compared to 2017.

As of December 31, 2018, the County's governmental activities reported a combined ending net position of \$267 million, an increase of 4 percent (\$10.3 million) over the prior year. Of this, 17 percent (\$45 million) is unrestricted and constitutes available funds for spending in the coming year at the County's discretion. Legally restricted net position includes \$6 million restricted to public health needs of our community, \$3 million restricted to capital projects and \$2 million restricted to the emergency reserve as required by State Statute.

Approximately 76 percent of the governmental activities' net position is invested in capital assets. Capital assets are tangible property used in the operation of the County such as land, roads and bridges, buildings, machinery, furnishings and equipment. The County uses these capital assets to provide services to its citizens.

For business-type activities, 74 percent of its net position is invested in capital assets providing facilities and equipment for the Solid Waste Center and Airport Funds.

Summary of Changes in Net Position

Governmental and business-type activities increased the County's net position by \$9.5 million in 2018. The following table derived from the current and prior year's *Statement of Activities* indicates the changes in net position for governmental and business-type activities:

Pitkin County's Changes in Net Position (\$000)							
	Governmental Activities		Business-type Activities		Total		
	2018	2017	2018	2017	2018	2017	
Program revenues:							
Charges for services	\$ 15,791	\$ 13,895	\$ 17,267	\$ 17,367	\$ 33,058	\$ 31,262	
Operating grants/contributions	7,341	6,493	701	1,210	8,042	7,703	
Capital grants/contributions	663	1,638	1,760	1,616	2,423	3,254	
General revenues:					-	-	
Property taxes	23,988	22,758	-	-	23,988	22,758	
Sales taxes	29,135	27,792	-	-	29,135	27,792	
Other taxes	889	848	-	-	889	848	
Investment earnings	1,477	1,129	442	264	1,919	1,393	
Other	163	165	1	33	164	198	
Total Revenues	79,446	74,718	20,170	20,490	99,616	95,208	
Expenses:							
Program expenses:							
General government	10,379	10,977	-	-	10,379	10,977	
Public Safety	14,071	13,005	-	-	14,071	13,005	
Public works	25,893	22,600	-	-	25,893	22,600	
Public health and welfare	11,155	8,103	-	-	11,155	8,103	
Culture and recreation	6,214	5,620	-	-	6,214	5,620	
Intrest on long-term debt	1,454	1,441	-	-	1,454	1,441	
Airport	-	-	16,591	13,884	16,591	13,884	
Solid waste center	-	-	4,384	4,661	4,384	4,661	
Total Expenses	69,166	61,746	20,975	18,545	90,141	80,291	
Change in Net Position	10,280	12,972	(805)	1,945	9,475	14,917	
Net Position - Beginning (as restated)	256,722	243,751	102,656	100,712	359,378	344,463	
Net Position - Ending	\$ 267,003	\$ 256,722	\$ 101,851	\$ 102,656	\$ 368,854	\$ 359,378	

Governmental Revenues

Total governmental revenues for 2018 were \$79 million (excluding other financing sources, sale of fixed assets, debt issuance and transfers in) compared to \$74 million in 2017, an increase of 7.7 percent. \$2.7 million was due to the inclusion of Fleet charges for services which had previously been netted with internal expenditures, \$1.3 million in sales tax collections, \$1.2 million in property taxes and \$348 thousand in investment earnings. Intergovernmental revenues and contributions decreased in 2018, due to one-time amounts included in 2017: \$745 thousand for intergovernmental contributions to the County's 800 MHz radio improvements, and a \$350 thousand one-time contribution for the Wexner-Two Shoes land exchange. The source of revenues is as follows:

Governmental Revenues by Source 2018	
Taxes	\$ 54,011,663
Charges for Services	15,790,984
Operating Grants/Contributions	7,341,015
Capital Grants/Contributions	662,603
Investment Earnings	1,477,107
Miscellaneous	162,839
Total	\$ 79,446,211

The County is heavily reliant on taxes and intergovernmental revenues to support governmental operations and capital improvements.

Sales and use taxes are the largest source of revenue with \$29 million accounting for 37 percent of total revenues. Property taxes of \$24 million represent 30 percent of revenues and specific ownership taxes of \$875 thousand represent 1 percent of revenues. Intergovernmental revenues of \$8.7 million represent 11 percent of the County's total governmental revenues. This includes \$1.6 million from the State for Human Services programs, \$1.4 million from the State Highway Users Tax Fund for road and bridge purposes and \$1.5 million in Payment in Lieu of Taxes (PILT).

Governmental Expenses

Total governmental expenses for 2018 were \$68 million (excluding debt service, capital outlay and transfers out) compared with \$60 million in 2017, an increase of 12 percent. \$2.7 million was due to the inclusion of Fleet expenses which had previously been netted with their charges for services, and \$2.3 million for contributions to the Basalt Vista employee housing project. Expenses by program are as follows:

Governmental Expenses by Function/Program 2018	
General government	\$ 10,378,931
Public safety	14,071,463
Public works	25,893,042
Public health and welfare	11,155,376
Culture and recreation	6,213,567
Total	\$ 67,712,379

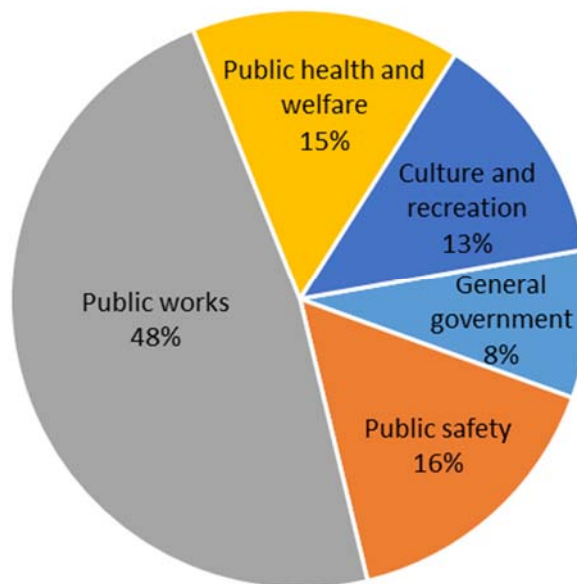
Governmental Activities – Function/Program Analysis

Program revenues such as charges for services, operating and capital grants and contributions, cover 34 percent of governmental activities expenses. This means that the government’s taxpayers and the County’s other general governmental revenues fund 66 percent of the governmental activities. As a result, the general economy and County businesses have a major impact on the County’s revenue streams.

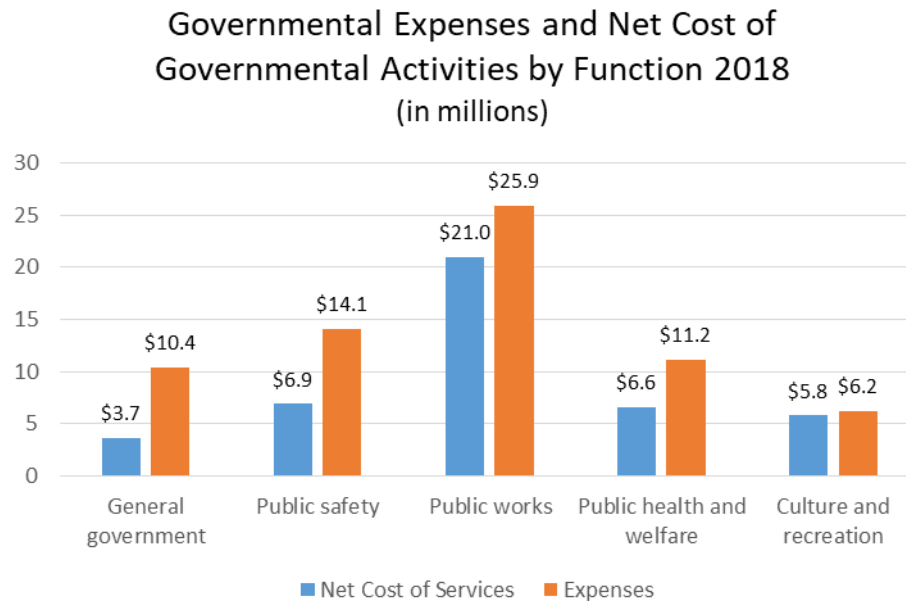
The general government, public safety, public works, and health and welfare functions account for 90 percent of governmental activities expenses.

Each of these functions generates some form of revenue. The following table presents the net cost of the functions, i.e. the expenses less revenues generated by the activities. The net costs illustrate the financial burden placed on the County’s taxpayers by each of these functions.

Net Cost of Governmental Activities Expenses by Function/Program 2018	
General government	\$ 3,653,404
Public safety	6,898,341
Public works	20,967,262
Public health and welfare	6,598,586
Culture and recreation	5,800,184
Total	\$ 43,917,777



A comparison of the expenses on governmental activities and the net cost of governmental activities, by function, is as follows:



Business-Type Activities

Net position for the County's business-type activities in 2018 was \$102 million, a decrease of \$805 thousand over 2017. The net position of the Airport Fund was \$87.2 million, a decrease \$3.2 million and \$14.7 million for the Solid Waste Center Fund, an increase of \$2.4 million.

For the Solid Waste Center Fund, operating revenues were \$6.6 million and operating expenses were \$4.2 million. At 99 percent, charges for services (tipping fees) accounted for the majority of revenues. Wages and benefits accounted for 32 percent of expenses and 66 percent was for other operating expenses.

For the Airport Fund, operating revenues were \$10.7 million and operating expenses were \$16.6 million. Of this, 24 percent was for wages and benefits, 46 percent was for operating expenses and the remaining percent was for depreciation.

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ANALYSIS OF THE COUNTY'S FUNDS

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

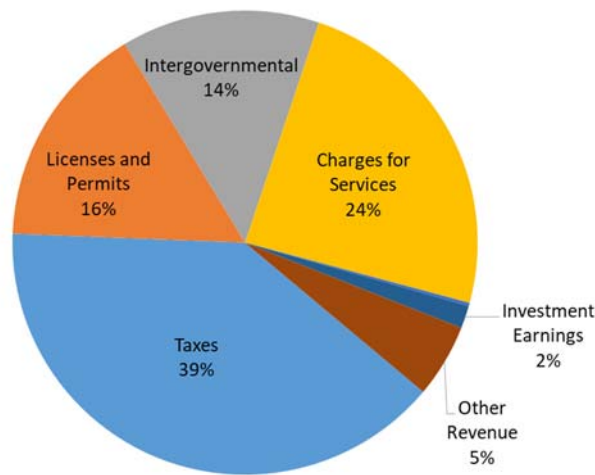
At December 31, 2018, the County's governmental funds reported combined fund balances of \$70 million, a decrease of \$9.2 million from the prior year. Approximately 13 percent of this amount (\$9.4 million) constitutes unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balance is either restricted, committed, or assigned to indicate that it is 1) legally required to be maintained for a specific purpose by outside entities or persons (\$18.4 million); 2) committed by the Board of County Commissioners (\$33.8 million); 3) assigned for planned or intended actions restricted for particular purposes (\$7.3 million); or 4) not in spendable form (\$1.2 million). The fund balances of the five major funds total \$56.8 million; the General Fund represents \$19.5 million, the Capital Expenditures Fund \$3.2 million, Employee Housing Impact Fund \$2.4 million, Transportation Sales and Use Tax Fund \$9.9 million and the Open Space and Trails Fund represents \$21.7 million.

General Fund

The General Fund is the County's primary operating fund and accounts for all transactions not accounted for in other funds. It is the largest source of day-to-day delivery and accounts for many of the County's core services, such as the Sheriff's Office, Assessor, Clerk and Recorder, Community Development, facilities and general administrative functions. The General Fund is financed primarily by property taxes, sales taxes and charges for services.

In 2018, total revenues for the General Fund were \$30 million, an increase of 11 percent over the prior year. Taxes generated 39 percent of this revenue, followed by charges for services at 24 percent, licenses and permits at 16 percent, and intergovernmental revenues at 14 percent. The following represents General Fund revenues by classification in 2018:

General Fund Revenues by Source 2018	
Taxes	\$ 11,791,229
Licenses and Permits	4,690,831
Intergovernmental	4,119,246
Charges for Services	7,172,084
Fines	68,035
Investment Earnings	469,579
Other Revenue	1,530,513
Total	\$ 29,841,517



General Fund revenues were 4 percent over the amended budget in 2018. Licenses and permits were 28 percent over the amended budget. This is mainly due to Community Development fees which were flat to prior year, but had been budgeted anticipating a slowdown in building activities. Investment earnings had also been budgeted conservatively. Actual results were 12 percent more than 2017 and 91 percent better than budget.

Detail on the General Fund revenues budgetary comparison is as follows:

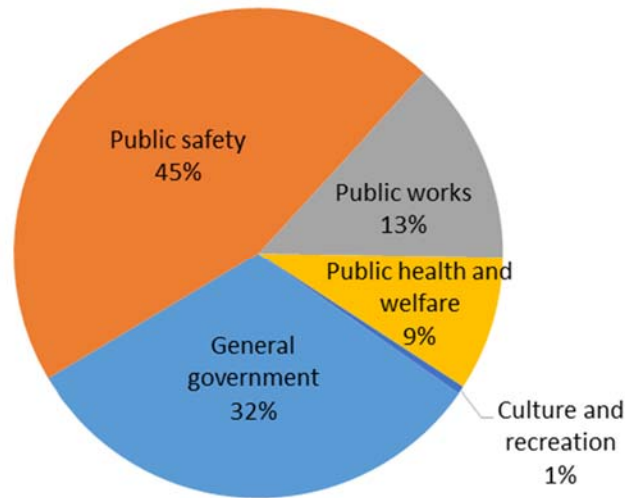
General Fund Revenues Budgetary Comparison

	Original Budget	Final Budget	Actual	Final Budget Variance (Positive/Negative)	% Variance
Taxes	\$ 12,034,720	\$ 11,526,822	\$ 11,791,229	\$ 264,407	2%
Intergovernmental	3,768,675	4,075,309	4,119,246	43,937	1%
Licenses and permits	3,630,053	3,654,303	4,690,831	1,036,528	28%
Charges for services	7,043,070	7,143,070	7,172,084	29,014	0%
Fines and forfeitures	37,500	39,023	68,035	29,012	74%
Investment earnings	245,820	245,820	469,579	223,759	91%
Miscellaneous	1,899,737	1,949,737	1,530,513	(419,224)	-22%
Total	\$ 28,659,575	\$ 28,634,084	\$ 29,841,517	\$ 1,207,433	4%

Total expenditures for the General Fund in 2018 (excluding transfers to other funds) were \$28 million, an 8.7 percent increase over 2017.

As mentioned previously, the General Fund is the County’s primary operating fund and consequently it contains a total of eighteen departments and elected official offices. The following presents the total General Fund expenditures by function:

General Fund Expenditures by Function 2018	
General government	8,896,603
Public safety	12,733,354
Public works	3,759,544
Public health and welfare	2,514,974
Culture and recreation	143,546
Total	\$ 28,048,021



During 2018, there was a \$2.4 million (8.5 percent) increase in appropriations between the adopted and amended budgets for General Fund expenditures. The majority of the increase was due to budget carry-forwards. Budgetary increases included \$535 thousand for Coke Ovens phase II grant expenditures, \$225 thousand for the EHOP down payment assistance program, and \$205 thousand for document scanning.

General Fund expenditures were 9 percent (\$2.8 million) below the amended budget in 2018, which is the normal trend the County has experienced in previous years. There was a multitude of cost savings across the board, including \$278 thousand in savings in wages and benefits.

At the end of 2018, the General Fund has a fund balance of \$19.5 million of which \$0.8 million is restricted by state or federal regulations, \$0.8 million is committed by BOCC, \$1.2 million is not in spendable form, and \$7.3 million is assigned for various purposes. The assigned portions include \$3.5 million for operating reserve and contingency, \$3.1 million for programs or contributions to offset future health and risk insurance increases, and \$0.6 million for budget carry-forwards. The remaining assigned fund balance is designated for other uses as detailed in Note III.J.

Capital Expenditures Fund

The Capital Expenditures fund balance decreased by 80 percent, from \$16 million in 2017 to \$3.2 million in 2018. This was due to the construction of the County's new Administration and Sheriff's Office building. This project was financed in 2016 and construction was completed in 2018.

In 2018, total revenues were \$2 million of which 82 percent was from sales taxes. Total expenditures were \$15.5 million, of which 67 percent (\$10.5 million) was for the above-mentioned construction, \$1.9 million for Public Works lot improvements and fueling station, \$410 thousand for the ERP conversion project, and \$247 thousand for eight vehicles.

Transportation Sales and Use Tax Fund

The Transportation Sales and Use Tax Fund is used to account for a one percent County-wide transportation sales tax collected and then distributed to the Roaring Fork Transportation Authority (RFTA), the City of Aspen and the Town of Snowmass Village for mass transit services. A half percent use tax is also collected by both the County, the City of Aspen and the Town of Snowmass Village which is deposited into the fund. A half percent transportation sales tax is also maintained in this fund, of which 81 percent is distributed to RFTA. The remaining half percent sales tax revenues are used to underwrite free bus service between Aspen, Snowmass Village, and Woody Creek and are being saved for future transit projects.

The fund balance increased by \$1.4 million in 2018 and has \$9.9 million available for future spending at the year-end. In 2018, total revenues of \$17.9 million in this fund increased by 5 percent over 2017 and total expenditures of \$16.6 million increased by 4 percent over 2017.

Open Space and Trails Fund

The Open Space and Trails Fund has \$21.7 million in fund balance at year end. Of this, 63 percent is dedicated to open space acquisitions, 15 percent to trails improvements and 22 percent to property maintenance, after administrative and debt service costs are subtracted. The fund balance, which fluctuates depending on the capital acquisitions made in any year, increased by \$5.2 million in 2018. 2018 acquisitions include conservation easements on the Soldner property and Red Hill for \$376 thousand and purchase of the Sewell Tract 116 parcel for \$171 thousand. Trail improvement projects included the Lazy Glen trail and bridge for \$282 thousand and the Prince Creek trailhead for \$201 thousand.

Employee Housing Impact Fund

The Housing Impact Fee Fund has \$2.4 million of fund balance from collections of payments from housing impact fees. A housing Impact fee is assessed on new residential structures exceeding 5,750 square feet, commercial development and development of tourist lodging accommodations. The proceeds of this fee are restricted to help provide affordable housing opportunities to the local workforce that may be otherwise unattainable due to the high cost of housing in resort communities. A significant acquisition in 2018 was the Phillips Mobile Home Park for \$6.5 million. Other projects included a \$2.3 million contribution to the Basalt Vista employee housing project and \$1.3 million for six units through the deed restricted housing program.

Airport Fund

The Airport Fund has \$87.2 million in net position at year end. Of this amount, \$69.1 million is categorized as net investment in capital assets and is therefore not available for day to day operations. The net position for the airport fund decreased by \$3.2 million in 2018. This decrease was due in part to perimeter security improvements for \$1.5 million, runway ramp and taxiway repairs for \$603 thousand, baggage screening and rental car facility improvements for \$430 thousand, and the purchase of an employee housing unit for \$311 thousand.

Solid Waste Center Fund

The Solid Waste Center has \$14.7 million in net position at year end, an increase of 2.4 million (19 percent). Of this amount, \$6.7 million is categorized as net investment in capital assets. Solid Waste Center revenues returned to a normal level of \$6.6 million in 2018 (a 19 percent decrease) after experiencing a landmark year in 2017. Capital acquisitions in 2018 included heavy equipment purchases for \$1.8 million, including a bulldozer, a wheel loader, and a trommel screen.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's investment in capital assets, net of accumulated depreciation, for governmental and business-type activities as of December 31, 2018, was \$204 million and \$76 million respectively. The net investment increased by 7 percent for governmental activities and decreased 2 percent for business-type activities. The overall increase was 4.6 percent for the County as a whole.

At December 31, 2018, the depreciable capital assets for governmental activities were 44 percent depreciated compared to 55 percent at December 31, 2017. This comparison indicates that the County is replacing its assets at a faster rate than they are depreciating, which is a positive indicator. Land and intangible assets represent 53 percent of the total assets showing the continued investment by the open space program.

Investment in governmental assets exceeded the depreciation expense in 2018 resulting in an increase in the net asset value of \$24.5 million. Of this, 42 percent was attributable to the new County Administration and Sheriff's Office building. Land acquisitions and machinery and equipment accounted for 27 percent and 16 percent of the remainder respectively.

For the County's business type activities, the depreciable capital assets were 48 percent depreciated at December 31, 2018 compared to 46 percent at December 31, 2017.

See Note III. D and F for additional information about changes in capital assets during the calendar year and outstanding contractual commitments at the end of the year.

Long-term Debt

In 2018, the County issued \$6,500,000 in certificates of participation to finance the construction of a new ambulance facility. At the end of the calendar year, general obligation bonds of \$12,220,000, certificates of participation of \$28,360,000 and sales tax revenue bonds totaling \$5,790,000 were outstanding. Citing the County's strong financial position, Moody's Investor Service rates the County as Aa1, changing from Aa2 in September 2017.

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

Economic Outlook and 2019 Budget

Pitkin County's economy, largely dominated by real estate and tourism, performed strongly in 2018. This trend is expected to continue in 2019 with new lodging facilities in Aspen, commercial development in Snowmass Village, and a national economy which continues to support tourism and residential investments in the County. Sales tax revenues have increased through 2019, due in part to excellent snowfall over the winter months positively impacting the tourism industry, and in part to the State of Colorado implementing the collection of sales tax on internet purchases. The longer-term outlook is more uncertain with a forecast for a correction in the national economy possible in the next few years.

The County continues to experience strong demand for many of its services, especially the Airport, Solid Waste Center, TV Translators, Broadband, and facilities. With careful and prudent management and efficient use of funds, the County aims to moderate operating costs in 2019, thereby continuing to provide quality services and maintaining operating expenditures through any potential economic downturn.

The 2019 amended Pitkin County budget includes \$132,303,677 in revenues and \$172,174,683 in expenditures, for a total use of fund balance of \$39,871,006. The remaining fund balance at year end is projected to be \$67,603,146, or 64 percent of total 2019 operating and capital expenditures. This is well above the County's minimum fund balance of 16.7 percent of budgeted operating expenditures.

Use of fund balance is primarily for capital projects. 2019 capital projects include: \$6.8 million for an operations and maintenance facility at the Solid Waste Center; \$5.6 million in Open Space and Trails acquisitions and trail improvements; \$5.5 million to complete the new ambulance facility; \$4.6 million for renovation of the historic Courthouse building; \$3.8 million in road projects; \$2.5 million for Airport security improvements; \$2.3 million in the Healthy Rivers fund for safety and streamside improvements at the whitewater park; \$1.7 million for Translator site construction and equipment replacements; \$1.3 million for ERP and Community Development permitting software implementations; and \$886 thousand for broadband infrastructure.

Operational projects in 2019 include a focus on community dialogue and visioning for future Airport improvements, addressing community mental health needs, promoting improvements to regional public transportation, and building the County's organizational capacity to effectively and efficiently manage current and future capital projects.

Overall, the 2019 budget and the strategic plan enable Pitkin County to continue to provide high levels of service to its citizens, invest in prudent capital improvements, while maintaining a strong financial position.

Contacting the County's Financial Management

This financial report is designed to provide an overview of the County's financial activities for all of those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to:

Ann Driggers
Finance Director
530 East Main Street, Suite 304
Aspen, Colorado, 81611
(970) 920-5225

BASIC FINANCIAL STATEMENTS

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Pitkin County, Colorado
Government-wide Financial Statements - Statement of Net Position
December 31, 2018

	Primary Government			Component Unit
	Governmental Activities	Business-type Activities	Total	Pitkin County Library District
Assets:				
Cash and investments	\$ 72,138,155	\$ 26,219,725	\$ 98,357,880	\$ 2,543,157
Restricted cash and investments	-	1,006,984	1,006,984	-
Receivables, net of allowance for uncollectibles	34,050,317	3,852,273	37,902,590	4,286,461
Prepaid expenses	10,217	-	10,217	-
Inventories	636,920	200,876	837,796	-
Deposits held	45,932	-	45,932	-
Noncurrent receivables, net of allowance for uncollectibles	509,235	-	509,235	-
Capital assets, not being depreciated	168,412,377	12,473,803	180,886,180	144,263
Capital assets, net of accumulated depreciation	78,276,630	63,394,422	141,671,052	14,229,738
Total Assets	354,079,783	107,148,083	461,227,866	21,203,619
Deferred Outflows of Resources:				
Deferred loss on refunding	269,213	-	269,213	-
Total Deferred Outflows of Resources	269,213	-	269,213	-
Liabilities:				
Accounts payable	7,989,664	1,151,426	9,141,090	54,885
Accrued liabilities	512,895	54,714	567,609	14,439
Accrued interest	243,064	-	243,064	-
Unearned revenue	1,287,345	739,569	2,026,914	-
Deposits	2,155,611	30,785	2,186,396	-
Noncurrent liabilities:				
Due within one year	3,129,985	111,544	3,241,529	59,109
Due in more than one year	46,714,437	3,208,554	49,922,991	88,664
Total Liabilities	62,033,001	5,296,592	67,329,593	217,097
Deferred Inflows of Resources:				
Property taxes assessed but not collectible until 2019	25,313,482	-	25,313,482	4,286,443
Total Deferred Inflows of Resources	25,313,482	-	25,313,482	4,286,443
Net Position:				
Net investment in capital assets	203,921,821	75,807,783	279,729,604	14,370,011
Restricted for:				
Aviation fuel tax	150,097	-	150,097	-
Capital projects	3,179,555	-	3,179,555	-
Conservation trust	2,519	-	2,519	-
Debt service	148,419	-	148,419	-
Emergency reserve	2,299,905	-	2,299,905	131,020
Healthy rivers & streams	2,625,079	-	2,625,079	-
Human services	493,339	-	493,339	-
Public health	6,009,245	-	6,009,245	-
Road and bridge	2,117,963	-	2,117,963	-
State superfund tip fees	478,687	-	478,687	-
Translator	893,274	-	893,274	-
Unliquidated PFC revenues	-	1,006,984	1,006,984	-
Library	-	-	-	2,199,048
Unrestricted	44,682,610	25,036,724	69,719,334	-
Total Net Position	\$ 267,002,513	\$ 101,851,491	\$ 368,854,004	\$ 16,700,079

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

Pitkin County, Colorado
Government-wide Financial Statements - Statement of Activities
For the Year Ended December 31, 2018

Functions/Programs:	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			Component Unit Pitkin County Library District
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Total	
					Governmental Activities	Business-type Activities		
Governmental Activities:								
General government	\$ 10,378,931	\$ 4,962,337	\$ 1,763,190	\$ -	\$ (3,653,404)		\$ (3,653,404)	
Public safety	14,071,463	6,242,889	865,107	65,126	(6,898,341)		(6,898,341)	
Public works	25,893,042	3,032,185	1,430,981	462,614	(20,967,262)		(20,967,262)	
Public health and welfare	11,155,376	1,390,794	3,165,996	-	(6,598,586)		(6,598,586)	
Culture and recreation	6,213,567	162,779	115,741	134,863	(5,800,184)		(5,800,184)	
Interest on long-term debt	1,453,594	-	-	-	(1,453,594)		(1,453,594)	
Total Governmental Activities	69,165,973	15,790,984	7,341,015	662,603	(45,371,371)		(45,371,371)	
Business-type activities:								
Airport	16,591,446	10,685,471	676,364	1,760,346		(3,469,265)	(3,469,265)	
Solid Waste Center	4,383,480	6,581,138	24,495	-		2,222,153	2,222,153	
Total Business-type Activities	20,974,926	17,266,609	700,859	1,760,346		(1,247,112)	(1,247,112)	
Total	\$ 90,140,899	\$ 33,057,593	\$ 8,041,874	\$ 2,422,949	(45,371,371)	(1,247,112)	(46,618,483)	
Component Unit:								
Pitkin County Library District	\$ 4,761,471	\$ 28,158	\$ 91,963					\$ (4,641,350)
General Revenues:								
Taxes:								
Property taxes					23,987,614	-	23,987,614	4,079,256
Sales and use taxes					29,134,807	-	29,134,807	-
Specific ownership taxes					875,500	-	875,500	148,878
Other taxes					13,742	-	13,742	-
Unrestricted investment earnings					1,477,107	441,738	1,918,845	19,083
Gain on disposition of assets					162,839	702	163,541	-
Total General Revenues					55,651,609	442,440	56,094,049	4,247,217
Change in Net Position					10,280,238	(804,672)	9,475,566	(394,133)
Net Position - Beginning (as restated)					256,722,275	102,656,163	359,378,438	17,094,212
Net Position - Ending					\$ 267,002,513	\$ 101,851,491	\$ 368,854,004	\$ 16,700,079

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

**Pitkin County, Colorado
Balance Sheet
Governmental Funds
December 31, 2018**

	General Fund	Special Revenue			Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
		Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Employee Housing Impact Fund	Capital Fund		
Assets:							
Cash and investments	\$ 20,145,777	\$ 11,047,623	\$ 22,197,698	\$ 2,812,206	\$ 3,189,407	\$ 12,745,444	\$ 72,138,155
Property tax receivable	7,627,263	-	11,669,620	-	-	6,016,599	25,313,482
Other receivables, net of allowance for uncollectibles	243,435	659	1,462	969	43,026	11,930	301,481
Due from other governments	3,351,940	2,941,489	27,718	-	616,278	1,497,929	8,435,354
Due from other funds	14,664	-	-	-	-	-	14,664
Loans receivable	509,235	-	-	-	-	-	509,235
Deposits held	45,932	-	-	-	-	-	45,932
Prepaid items	10,217	-	-	-	-	-	10,217
Inventories	608,925	-	-	-	-	27,995	636,920
Total Assets	\$ 32,557,388	\$ 13,989,771	\$ 33,896,498	\$ 2,813,175	\$ 3,848,711	\$ 20,299,897	\$ 107,405,440
Liabilities, Deferred Inflows of Resources, and Fund Balances:							
Liabilities:							
Accounts payable	\$ 483,996	\$ 5,955	\$ 225,229	\$ 364,464	\$ 599,301	\$ 881,330	\$ 2,560,275
Accrued liabilities	478,093	1,086	13,147	-	-	20,569	512,895
Due to other governments	2,335,070	2,763,515	282,918	-	11,854	36,032	5,429,389
Due to other funds	-	-	-	-	-	14,664	14,664
Unearned revenue	5,152	1,282,193	-	-	-	-	1,287,345
Deposits	2,121,879	-	4,100	20,382	-	9,250	2,155,611
Total Liabilities	5,424,190	4,052,749	525,394	384,846	611,155	961,845	11,960,179
Deferred Inflows of Resources:							
Property taxes assessed but not collectible until 2019	7,627,263	-	11,669,620	-	-	6,016,599	25,313,482
Total Deferred Inflows of Resources	7,627,263	-	11,669,620	-	-	6,016,599	25,313,482
Fund Balances:							
Nonspendable	1,174,309	-	-	-	-	27,995	1,202,304
Restricted	840,544	617,037	378,020	31,467	3,237,556	13,293,458	18,398,082
Committed	757,532	9,319,985	21,323,464	2,396,862	-	-	33,797,843
Assigned	7,310,712	-	-	-	-	-	7,310,712
Unassigned	9,422,838	-	-	-	-	-	9,422,838
Total Fund Balances	19,505,935	9,937,022	21,701,484	2,428,329	3,237,556	13,321,453	70,131,779
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 32,557,388	\$ 13,989,771	\$ 33,896,498	\$ 2,813,175	\$ 3,848,711	\$ 20,299,897	\$ 107,405,440

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

Pitkin County, Colorado
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position
December 31, 2018

Governmental Funds Total Fund Balances	\$	70,131,779
<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.		246,689,007
<i>Less:</i>		
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 \$269,213, less unamortized bond premiums of \$662,531.		(393,318)
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.		(46,370,000)
Long-term liabilities, including claims payable, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of claims payable.		(940,351)
Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of compensated absences not currently payable.		(1,871,540)
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.		(243,064)
Governmental Activities Net Position	\$	<u>267,002,513</u>

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

Pitkin County, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Year Ended December 31, 2018

	General Fund	Special Revenue			Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
		Transportation Sales and Use Tax Fund	Open Space and Trails Fund	Employee Housing Impact Fund	Capital Fund		
Revenues:							
Taxes	\$ 11,791,229	\$ 17,779,936	\$ 12,054,397	\$ -	\$ 1,641,543	\$ 10,744,557	\$ 54,011,662
Intergovernmental	4,119,246	-	27,718	-	172,743	4,415,754	8,735,461
Licenses and permits	4,690,831	2,000	25,430	-	-	128,441	4,846,702
Impact fees	-	-	-	699,068	-	77,217	776,285
Charges for services	7,172,084	-	-	-	-	-	7,172,084
Fines	68,035	-	5,364	-	-	-	73,399
Investment earnings	469,579	164,203	370,903	93,553	177,892	200,977	1,477,107
Miscellaneous	1,530,513	8	123,942	256,277	11,904	253,013	2,175,657
Total Revenues	29,841,517	17,946,147	12,607,754	1,048,898	2,004,082	15,819,959	79,268,357
Expenditures:							
Current:							
General government	8,772,809	-	-	-	985,166	-	9,757,975
Public safety	12,573,431	-	-	-	8,613	889,955	13,471,999
Public works	3,759,544	16,592,481	-	-	22,650	4,257,989	24,632,664
Public health and welfare	2,514,974	-	-	2,782,236	15,406	5,703,523	11,016,139
Culture and recreation	51,705	-	4,642,135	-	-	622,082	5,315,922
Debt service:							
Principal	-	-	950,000	-	455,000	350,000	1,755,000
Interest	-	-	263,355	-	793,302	307,796	1,364,453
Capital outlay:							
General government	123,794	-	-	-	10,858,477	-	10,982,271
Public safety	159,923	-	-	-	173,598	2,955,771	3,289,292
Public works	-	-	-	-	2,184,362	1,629,148	3,813,510
Public health and welfare	-	-	-	7,800,106	40,000	-	7,840,106
Culture and recreation	91,841	-	1,600,818	-	-	243,968	1,936,627
Total Expenditures	28,048,021	16,592,481	7,456,308	10,582,342	15,536,574	16,960,232	95,175,958
Excess (Deficiency) of Revenues Over Expenditures	1,793,496	1,353,666	5,151,446	(9,533,444)	(13,532,492)	(1,140,273)	(15,907,601)
Other Financing Sources (Uses):							
Issuance of debt	-	-	-	-	-	6,500,000	6,500,000
Proceeds from sale of assets	-	-	7,100	-	70,726	129,660	207,486
Transfers in	547,441	-	69,000	200,000	650,000	894,738	2,361,179
Transfers out	(1,653,738)	-	-	-	-	(707,441)	(2,361,179)
Total Other Financing Sources (Uses)	(1,106,297)	-	76,100	200,000	720,726	6,816,957	6,707,486
Net Change in Fund Balances	687,199	1,353,666	5,227,546	(9,333,444)	(12,811,766)	5,676,684	(9,200,115)
Fund Balances - Beginning (as restated)	18,818,736	8,583,356	16,473,938	11,761,773	16,049,322	7,644,769	79,331,894
Fund Balances - Ending	\$ 19,505,935	\$ 9,937,022	\$ 21,701,484	\$ 2,428,329	\$ 3,237,556	\$ 13,321,453	\$ 70,131,779

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

Pitkin County, 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, 2018

Net Change in Fund Balances - Governmental Funds	\$	(9,200,115)
<i>Add / (Less):</i>		
The repayment of debt is a use of current available resources, but has no effect on net position because although the County has less current available resources, it also has less debt. This is the amount of principal payments on bonded debt during the year.		1,755,000
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays (\$27,572,638) exceeds depreciation (\$3,051,214) in the current period.		24,521,423
Long-term liabilities, including claims payable, 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 claims, not currently payable.		(95,438)
Long-term liabilities, including compensated absences, 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, not currently payable.		(66,843)
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 is not yet due, together with the amortization of debt-related deferrals.		(89,141)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		(6,500,000)
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.		<u>(44,648)</u>
Change in Net Position of Governmental Activities	\$	<u>10,280,238</u>

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

Pitkin County, Colorado
General Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017, as restated)

	2018			Final Budget Variance Positive (Negative)	2017
	Original Budget	Final Budget	Actual		Actual (as restated)
Revenues:					
Taxes:					
Sales tax	\$ 4,564,692	\$ 4,056,794	\$ 4,304,275	\$ 247,481	\$ 4,158,207
General property tax	7,210,872	7,210,872	7,210,051	(821)	6,883,647
Specific ownership tax	244,156	244,156	263,161	19,005	252,604
Other tax	15,000	15,000	13,742	(1,258)	12,981
Intergovernmental:					
Federal	1,698,296	2,004,930	1,823,380	(181,550)	1,682,283
State	49,345	49,345	125,990	76,645	140,624
Other governmental units	2,021,034	2,021,034	2,169,876	148,842	2,800,601
Licenses and permits	3,630,053	3,654,303	4,690,831	1,036,528	4,761,127
Impact fees	-	-	-	-	237
Charges for services:					
General government	3,893,053	3,893,053	3,972,258	79,205	3,889,802
Public safety	480,288	480,288	373,157	(107,131)	161,322
Public works	2,617,729	2,717,729	2,761,575	43,846	-
Public health and welfare	52,000	52,000	50,216	(1,784)	21,603
Culture and recreation	-	-	14,878	14,878	-
Fines and forfeitures:					
Court fines	11,075	11,075	17,645	6,570	51,140
Other fines	26,425	27,948	50,390	22,442	930
Investment earnings	245,820	245,820	469,579	223,759	419,372
Miscellaneous:					
Rents and royalties	605,746	655,746	494,467	(161,279)	510,449
Refund of expenditures	1,167,298	1,167,298	832,583	(334,715)	492,111
Contributions	25,100	25,100	45,130	20,030	427,724
Other	101,593	101,593	158,333	56,740	114,861
Total Revenues	<u>28,659,575</u>	<u>28,634,084</u>	<u>29,841,517</u>	<u>1,207,433</u>	<u>26,781,625</u>
Expenditures:					
Current:					
General government	10,011,049	10,657,282	8,772,809	1,884,473	9,586,644
Public safety	11,961,958	12,495,060	12,573,431	(78,371)	11,641,579
Public works	3,626,688	4,026,304	3,759,544	266,760	241,898
Public health and welfare	2,515,003	2,637,723	2,514,974	122,749	2,852,436
Culture and recreation	66,718	75,526	51,705	23,821	99,720
Capital outlay:					
General government	131,000	146,000	123,794	22,206	51,362
Public safety	95,000	221,000	159,923	61,077	1,323,140
Public works	-	30,000	-	30,000	-
Culture and recreation	-	535,200	91,841	443,359	-
Total Expenditures	<u>28,407,416</u>	<u>30,824,095</u>	<u>28,048,021</u>	<u>2,776,074</u>	<u>25,796,779</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>252,159</u>	<u>(2,190,011)</u>	<u>1,793,496</u>	<u>3,983,507</u>	<u>984,846</u>
Other Financing Sources (Uses):					
Proceeds from sale of assets	-	-	-	-	3,500
Transfers in	787,941	961,037	547,441	(413,596)	535,971
Transfers out	(1,734,500)	(2,267,334)	(1,653,738)	613,596	(1,298,180)
Total Other Financing Uses	<u>(946,559)</u>	<u>(1,306,297)</u>	<u>(1,106,297)</u>	<u>200,000</u>	<u>(758,709)</u>
Excess of Revenues and Other Financing Sources Over Expenditures and Other Financing Uses	<u>\$ (694,400)</u>	<u>\$ (3,496,308)</u>	<u>687,199</u>	<u>\$ 4,183,507</u>	<u>226,137</u>
Fund Balance - Beginning			<u>18,818,736</u>		<u>18,592,599</u>
Fund Balance - Ending			<u>\$ 19,505,935</u>		<u>\$ 18,818,736</u>

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

Pitkin County, Colorado
Transportation Sales and Use Tax Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			Final Budget Variance Positive (Negative)	<u>2017</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
Sales tax	\$ 15,784,210	\$ 16,812,203	\$ 16,295,934	\$ (516,269)	\$ 15,376,648
Other tax	1,400,000	1,400,000	1,484,002	84,002	1,623,082
Licenses and permits	-	-	2,000	2,000	-
Investment earnings	124,000	124,000	164,203	40,203	89,000
Miscellaneous:					
Refund of expenditures	-	-	8	8	-
Total Revenues	<u>17,308,210</u>	<u>18,336,203</u>	<u>17,946,147</u>	<u>(390,056)</u>	<u>17,088,730</u>
Expenditures:					
Current:					
Public works	16,794,782	17,862,775	16,592,481	1,270,294	15,943,461
Total Expenditures	<u>16,794,782</u>	<u>17,862,775</u>	<u>16,592,481</u>	<u>1,270,294</u>	<u>15,943,461</u>
Excess of Revenues Over Expenditures	<u>\$ 513,428</u>	<u>\$ 473,428</u>	1,353,666	<u>\$ 880,238</u>	1,145,269
Fund Balance - Beginning			<u>8,583,356</u>		<u>7,438,087</u>
Fund Balance - Ending			<u>\$ 9,937,022</u>		<u>\$ 8,583,356</u>

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

Pitkin County, Colorado
Open Space and Trails Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			Final Budget Variance Positive (Negative)	<u>2017</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property tax	\$ 11,630,439	\$ 11,630,439	\$ 11,629,944	\$ (495)	\$ 10,999,843
Specific ownership tax	414,525	414,525	424,453	9,928	403,608
Intergovernmental:					
Other governmental units	50,000	50,000	27,718	(22,282)	538,663
Licenses and permits	-	-	25,430	25,430	17,113
Charges for services:					
Other fines	-	-	5,364	5,364	3,500
Investment earnings	175,090	175,090	370,903	195,813	175,077
Miscellaneous:					
Rents and royalties	26,302	26,302	20,465	(5,837)	24,655
Refund of expenditures	-	-	36,477	36,477	23,666
Contributions	25,000	278,000	67,000	(211,000)	46,480
Total Revenues	<u>12,321,356</u>	<u>12,574,356</u>	<u>12,607,754</u>	<u>33,398</u>	<u>12,232,605</u>
Expenditures:					
Current:					
Culture and recreation	4,663,421	5,263,084	4,642,135	620,949	3,875,919
Debt service:					
Principal	950,000	950,000	950,000	-	920,000
Interest	263,355	263,355	263,355	-	297,001
Capital outlay:					
Culture and recreation	977,140	6,170,712	1,600,818	4,569,894	3,362,204
Total Expenditures	<u>6,853,916</u>	<u>12,647,151</u>	<u>7,456,308</u>	<u>5,190,843</u>	<u>8,455,124</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>5,467,440</u>	<u>(72,795)</u>	<u>5,151,446</u>	<u>5,224,241</u>	<u>3,777,481</u>
Other Financing Sources:					
Proceeds from sale of assets	21,000	21,000	7,100	(13,900)	80,175
Transfers in	69,000	69,000	69,000	-	79,000
Total Other Financing Sources	<u>90,000</u>	<u>90,000</u>	<u>76,100</u>	<u>(13,900)</u>	<u>159,175</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$ 5,557,440</u>	<u>\$ 17,205</u>	<u>5,227,546</u>	<u>\$ 5,210,341</u>	<u>3,936,656</u>
Fund Balance - Beginning			<u>16,473,938</u>		<u>12,537,282</u>
Fund Balance - Ending			<u>\$ 21,701,484</u>		<u>\$ 16,473,938</u>

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

Pitkin County, Colorado
Employee Housing Impact Fund
Statement of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			<u>Final Budget</u>	<u>2017</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Impact fees	\$ 500,000	\$ 500,000	\$ 699,068	\$ 199,068	\$ 604,394
Investment earnings	28,740	28,740	93,553	64,813	119,791
Miscellaneous:					
Rents and royalties	303,564	303,564	253,625	(49,939)	124,100
Refund of expenditures	-	-	2,652	2,652	4,029
Total Revenues	<u>832,304</u>	<u>832,304</u>	<u>1,048,898</u>	<u>216,594</u>	<u>852,314</u>
Expenditures:					
Current:					
Public health and welfare	944,349	5,181,140	2,782,236	2,398,904	102,391
Capital outlay:					
Public health and welfare	1,500,000	7,366,322	7,800,106	(433,784)	761,887
Total Expenditures	<u>2,444,349</u>	<u>12,547,462</u>	<u>10,582,342</u>	<u>1,965,120</u>	<u>864,278</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (1,612,045)</u>	<u>\$ (11,715,158)</u>	<u>(9,533,444)</u>	<u>\$ 2,181,714</u>	<u>(11,964)</u>
Other Financing Sources:					
Transfers in	-	200,000	200,000	-	-
Total Other Financing Sources	<u>-</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>	<u>-</u>
Deficiency of Revenues and Other Financing Sources Over Expenditures	<u>\$ (1,612,045)</u>	<u>\$ (11,515,158)</u>	<u>(9,333,444)</u>	<u>\$ 2,181,714</u>	<u>(11,964)</u>
Fund Balance - Beginning			<u>11,761,773</u>		<u>11,773,737</u>
Fund Balance - Ending			<u>\$ 2,428,329</u>		<u>\$ 11,761,773</u>

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

Pitkin County, Colorado
Statement of Net Position
Proprietary Funds
December 31, 2018

	Business-type Activities - Enterprise Funds		
	Airport Fund	Solid Waste Center Fund	Total
Assets:			
Current assets:			
Cash and investments	\$ 15,586,789	\$ 10,632,936	\$ 26,219,725
Accounts receivable, net of allowance for uncollectibles	3,426,197	354,553	3,780,750
Intergovernmental receivable, net of allowance for uncollectibles	71,523	-	71,523
Inventories	-	200,876	200,876
Total Current Assets	19,084,509	11,188,365	30,272,874
Noncurrent assets:			
Cash and investments, restricted	1,006,984	-	1,006,984
Capital assets:			
Land	7,873,279	50,000	7,923,279
Intangible assets	2,955,956	-	2,955,956
Construction in progress	1,512,418	82,150	1,594,568
Buildings	22,165,598	1,052,151	23,217,749
Infrastructure and improvements other than buildings	77,804,978	2,241,842	80,046,820
Machinery and equipment	13,330,137	6,070,800	19,400,937
Less: accumulated depreciation	(56,482,200)	(2,788,884)	(59,271,084)
Capital assets, net	69,160,166	6,708,059	75,868,225
Total Noncurrent Assets	70,167,150	6,708,059	76,875,209
Total Assets	89,251,659	17,896,424	107,148,083
Liabilities:			
Current liabilities:			
Accounts payable	1,059,563	71,818	1,131,381
Accrued liabilities	41,050	13,664	54,714
Due to other governments	-	20,045	20,045
Unearned revenue	739,569	-	739,569
Deposits	30,785	-	30,785
Compensated absences - current	73,256	38,288	111,544
Total Current Liabilities	1,944,223	143,815	2,088,038
Noncurrent Liabilities:			
Compensated absences	109,884	57,432	167,316
Closure and post-closure costs	-	3,041,238	3,041,238
Total Noncurrent Liabilities	109,884	3,098,670	3,208,554
Total Liabilities	2,054,107	3,242,485	5,296,592
Net Position:			
Net investment in capital assets	69,099,724	6,708,059	75,807,783
Restricted	1,006,984	-	1,006,984
Unrestricted	17,090,844	7,945,880	25,036,724
Total Net Position	\$ 87,197,552	\$ 14,653,939	\$ 101,851,491

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

Pitkin County, Colorado
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
For the Year Ended December 31, 2018

	Business-type Activities - Enterprise Funds		
	Airport Fund	Solid Waste Center Fund	Total
Operating Revenues:			
Charges for services:			
Airport sales	\$ 7,581,992	\$ -	\$ 7,581,992
Solid waste center sales	-	6,532,987	6,532,987
Total charges for services	<u>7,581,992</u>	<u>6,532,987</u>	<u>14,114,979</u>
Miscellaneous:			
Rents and franchises	3,071,701	-	3,071,701
Refund of expenses	30,778	13,412	44,190
Other revenues	1,000	34,739	35,739
Total miscellaneous	<u>3,103,479</u>	<u>48,151</u>	<u>3,151,630</u>
Total Operating Revenues	<u>10,685,471</u>	<u>6,581,138</u>	<u>17,266,609</u>
Operating Expenses:			
Personnel services	3,969,969	1,369,813	5,339,782
General operations	7,584,617	2,804,394	10,389,011
Landfill compliance costs	-	(448,475)	(448,475)
Depreciation	5,036,860	493,568	5,530,428
Total Operating Expenses	<u>16,591,446</u>	<u>4,219,300</u>	<u>20,810,746</u>
Operating Income (Loss)	<u>(5,905,975)</u>	<u>2,361,838</u>	<u>(3,544,137)</u>
Non-Operating Revenues:			
Investment earnings	283,716	158,022	441,738
Gain (loss) on disposition of assets	702	(163,702)	(163,000)
Intergovernmental	676,364	24,495	700,859
Bad debt expense	-	(478)	(478)
Total Non-Operating Revenues	<u>960,782</u>	<u>18,337</u>	<u>979,119</u>
Income (Loss) Before Contributions and Transfers	<u>(4,945,193)</u>	<u>2,380,175</u>	<u>(2,565,018)</u>
Capital contributions	<u>1,760,346</u>	<u>-</u>	<u>1,760,346</u>
Change in Net Position	<u>(3,184,847)</u>	<u>2,380,175</u>	<u>(804,672)</u>
Net Position - Beginning	<u>90,382,399</u>	<u>12,273,764</u>	<u>102,656,163</u>
Net Position - Ending	<u>\$ 87,197,552</u>	<u>\$ 14,653,939</u>	<u>\$ 101,851,491</u>

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

Pitkin County, Colorado
Statement of Cash Flows
Proprietary Funds
For the Year Ended December 31, 2018

	<u>Business-type Activities - Enterprise Funds</u>		
	<u>Airport Fund</u>	<u>Solid Waste Center Fund</u>	<u>Total</u>
Cash Flows from Operating Activities:			
Cash received from customers and others	\$ 9,671,257	\$ 6,716,327	\$ 16,387,584
Cash payments to vendors for goods and services	(7,024,760)	(2,922,626)	(9,947,386)
Cash payments to employees for services	(3,954,292)	(1,346,011)	(5,300,303)
Net Cash Provided (Used) by Operating Activities	<u>(1,307,795)</u>	<u>2,447,690</u>	<u>1,139,895</u>
Cash Flows from Non-Capital Financing Activities:			
Grant proceeds received	676,364	24,495	700,859
Net Cash Provided by Non-Capital and Related Financing Activities	<u>676,364</u>	<u>24,495</u>	<u>700,859</u>
Cash Flows from Capital and Related Financing Activities:			
Sale of assets	703	227,499	228,202
Proceeds from grant awards	1,967,029	-	1,967,029
Acquisition of capital assets	(2,362,486)	(1,891,944)	(4,254,430)
Net Cash Used by Capital and Related Financing Activities	<u>(394,754)</u>	<u>(1,664,445)</u>	<u>(2,059,199)</u>
Cash Flows from Investing Activities:			
Interest received - unrestricted	283,716	158,022	441,738
Net Cash Provided by Investing Activities	<u>283,716</u>	<u>158,022</u>	<u>441,738</u>
Net Increase (Decrease) in Cash	(742,469)	965,762	223,293
Cash - Beginning of Year	17,336,242	9,667,174	27,003,416
Cash - End of Year	<u>\$ 16,593,773</u>	<u>\$ 10,632,936</u>	<u>\$ 27,226,709</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities:			
Operating income (loss)	\$ (5,905,975)	\$ 2,361,838	\$ (3,544,137)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	5,036,860	493,568	5,530,428
Changes in Assets and Liabilities:			
(Increase) decrease in accounts receivable	(1,017,016)	135,190	(881,826)
Decrease in inventories	-	56,155	56,155
Increase (decrease) in accounts payable	446,117	(181,948)	264,169
Increase in compliance costs	-	(448,475)	(448,475)
Increase in accrued liabilities	18,399	31,362	49,761
Increase in unearned revenue	111,018	-	111,018
Increase in deposits	2,802	-	2,802
Net Cash Provided (Used) by Operating Activities	<u>\$ (1,307,795)</u>	<u>\$ 2,447,690</u>	<u>\$ 1,139,895</u>
Schedule of Non-Cash Activities:			
PFCs in receivables	\$ 215,394	\$ -	\$ 215,394
Total Non-Cash Activities	<u>\$ 215,394</u>	<u>\$ -</u>	<u>\$ 215,394</u>

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

Pitkin County, Colorado
Statement of Fiduciary Net Position
Fiduciary Funds
December 31, 2018

	Retirement Trust	Agency Funds
Assets		
Cash and investments	\$ 32,986,435	\$ 2,730,538
Receivables:		
Miscellaneous	-	90,502
Employee retirement loans	365,130	-
Total Assets	33,351,565	2,821,040
Liabilities		
Accounts payable	-	872,018
Due to other governments	-	696,422
Funds held for others	-	1,252,600
Total Liabilities	-	\$ 2,821,040
Net Position		
Net position held in trust for retirement benefits	\$ 33,351,565	

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

Pitkin County, Colorado
Statement of Changes in Net Position
Retirement Trust Fund
December 31, 2018

	Retirement Trust
Additions	
Employer contributions	\$ 2,925,887
Investment income:	
Dividends and interest	408,305
Net decrease in market value of investments	(2,695,214)
Total Additions	638,978
Deductions	
Benefits to plan members	1,865,908
Administration expenses	48,922
Total Deductions	1,914,830
Change in Net Position	(1,275,852)
Net Position - Beginning	34,627,417
Net Position - Ending	\$ 33,351,565

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

Pitkin County, Colorado
Balance Sheet
Discretely Presented Component Unit
December 31, 2018

	Pitkin County Library District
Assets:	
Cash and investments	\$ 2,543,157
Property tax receivable	4,286,443
Accounts receivable, net of allowance for uncollectibles	18
Total Assets	6,829,618
Liabilities:	
Accounts payable	54,885
Accrued liabilities	14,439
Total Liabilities	69,324
Deferred Inflows of Resources:	
Property taxes assessed but not collectible until 2019	4,286,443
Total Deferred Inflows of Resources	4,286,443
Fund Balance	
Restricted	2,473,851
Total Fund Balance	\$ 2,473,851

Reconciliation to Statement of Net Position:

Capital assets, net of depreciation, are used in governmental activities and are not financial resources and, therefore, are not reported in the governmental funds. This is the amount by which capital assets exceeded accumulated depreciation for the year:

Capital assets	\$ 18,743,742	
Accumulated depreciation	(4,369,741)	
		14,374,001

Long-term liabilities, including compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds. This is the amount of compensated absences not currently payable.

(147,773)

Total Net Position	\$ 16,700,079
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The accompanying notes are an integral part of these financial statements.

Pitkin County, Colorado
Statement of Revenues, Expenditures, and Changes in Fund Balance
with Reconciliation to the Statement of Net Position
Discretely Presented Component Unit
For the Year Ended December 31, 2018

	Pitkin County Library District
Revenues	
Taxes	\$ 4,228,134
Fines	22,157
Investment earnings	19,083
Miscellaneous	97,964
Total Revenues	4,367,338
Expenditures:	
Current:	
Culture and recreation	3,770,719
Capital:	
Culture and recreation	147,848
Total Expenditures	3,918,567
Excess of Revenues Over Expenditures	448,771
Fund Balance - Beginning	2,025,080
Fund Balance - Ending	\$ 2,473,851
Reconciliation to Statement of Activities:	
Change in Fund Balance	\$ 448,771
<p>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.</p>	
Capital Outlays	\$ 147,848
Depreciation	(972,339)
	(824,491)
<p>Long-term liabilities, including compensated absences, 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, not currently payable.</p>	
	(18,407)
<p>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.</p>	
	(6)
Change in Net Position	\$ (394,133)

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

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I. Summary of Significant Accounting Policies

Pitkin County, Colorado (the County) is located approximately 210 miles west of Denver and 120 miles east of Grand Junction in the Colorado Rocky Mountains. The County encompasses 973 square miles, of which approximately 80% is publicly owned and is controlled by the U.S. Forest Service and the Bureau of Land Management. Estimated population of the County is approximately 17,900. Tourism is the primary factor in the County's economy, which is well known for the resort communities of the City of Aspen and Town of Snowmass Village.

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

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

A. Financial Reporting Entity

The reporting entity is comprised of (a) the primary government, i.e., the County; and (b) organizations for which the County is financially accountable. The County is considered to be financially accountable for a legally separate organization if it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The primary government of the County consists of all departments, boards, agencies, and funds that are not legally separate from the County. For the County, the primary government includes certain elected officials (e.g., the Sheriff, Assessor, and Clerk and Recorder). Consideration is also given to other organizations that are fiscally dependent i.e., unable to adopt a budget, levy tax, or issue debt without approval by the County. Organizations, for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete, are also included in the reporting entity.

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

I. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

Blended Component Units

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

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

The Pitkin County Public Employees Retirement Plan (PCPERP) functions for the benefit of the County's employees. PCPERP is governed by a five-member board which consists of the County Treasurer, two employees elected by the participants, and two citizens appointed by the BOCC. PCPERP is reported as a pension trust fund and, as such, is not included in the government-wide financial statements.

Discretely Presented Component Units

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

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I. Summary of Significant Accounting Policies (continued)

A. Financial Reporting Entity (continued)

Jointly Governed Organizations

The Aspen-Pitkin County Housing Authority (Housing Authority) was formed in 1982 to manage and construct projects that are deed restricted, limiting the amount of appreciation on privately owned units and the amount of rent charged to tenants. The Housing Authority is governed by a seven-member board of directors. The County and the City of Aspen each appoint three directors and one director is appointed jointly. The Housing Authority's board reports to both the BOCC and the City of Aspen's Council; the County and the City of Aspen share net operating expenses equally, and the County and the City of Aspen significantly influence the operations budget. For the year ended December 31, 2018, the County's proportionate share of the 2018 net operating expenses totaled \$320,350. This amount was reported within the County's General Fund.

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

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

Government-wide financial statements include the Statement of Net Position and the Statement of Activities, which display information about the primary government (the County) and its component units excluding fiduciary activities. These statements present summaries of governmental and business-type activities for the County accompanied by a total column, along with a column for the discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which significantly rely upon fees and charges for support.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) fees, fines, and charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The government-wide financial statements and proprietary fund financial statements are presented with an economic resources measurement focus and the accrual basis of accounting. Accordingly, all of the County's assets and liabilities, including capital assets, as well as infrastructure assets and long term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned, while expenses are recognized in the period in which the liability is incurred.

I. Summary of Significant Accounting Policies (continued)

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

Separate financial statements are provided for governmental funds and proprietary funds. Major individual funds are reported as separate columns in the fund financial statements. The County's governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 90 days of year end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The following are the County's major governmental funds, proprietary funds, and fiduciary funds:

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

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term "proceeds of specific revenue sources" establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund. The County reports the following major special revenue funds:

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

The **Open Space and Trails Fund** accounts for a dedicated property tax, which supports acquisition, improvement, and management of open space and trails programs. A 2.5 mill levy was approved in 1990 and the voters reauthorized a levy of 3.75 mills in 1999 and again in 2016.

I. Summary of Significant Accounting Policies (continued)

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

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

Capital Projects Funds account for financial resources collected and used for the acquisition or construction of major capital facilities. The County reports one capital projects fund.

The **Capital Fund** accounts for resources assessed to be used to acquire capital assets and for the construction of major capital projects, excluding capital assets acquired by proprietary or special revenue funds.

Proprietary Funds reporting focuses on the determination of operating income, changes in net position, financial position, and cash flows. The two major proprietary funds are classified as enterprise funds.

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

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

Fiduciary Funds include agency funds and trust funds. Agency funds account for monies held on behalf of other governments and agencies that use the County as a depository or for property taxes collected on behalf of the other governments or agencies. The County's only trust fund is used to account for the accumulation of resources and for assets held for qualified County employees in accordance with the PCPERP. Fiduciary funds are excluded from reporting in the government-wide financial statements. No budgets are adopted for the County's fiduciary funds.

Certain eliminations have been made in regard to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, all internal balances have been eliminated except those interfund services and transactions between governmental and business-type activities, which have not been eliminated.

Reconciliation of the fund financial statements to the government-wide financial statements is provided in the financial statements to explain the differences created by the integrated approach of GASB Statement No. 34.

I. Summary of Significant Accounting Policies (continued)

C. Budgetary Information

1. Budgetary Basis of Accounting

The County adopts an annual operating budget for all governmental funds, proprietary funds, and discretely presented component units. Budgets for the governmental fund types are adopted on a basis consistent with GAAP. The proprietary fund types adopt budgets using a non-GAAP budgetary basis. The County's original budget process begins with combining historical data, assessment of needs for the upcoming year, and the BOCC's platform, to review and/or make changes to each department's budget. The Financial Advisory Board, budget team, and section leaders all provide input to the preliminary budget. The budget is then formally presented to the BOCC via an advertised public process for their review, revisions, and final approval by December 15. All subsequent budget requests made during the year must be presented via a public process and approval by the BOCC.

The legal level of control (the level at which expenditures may not legally exceed appropriations) for each adopted annual operating budget generally is the individual fund level. Any change in total to a fund requires approval of the BOCC. The County approved quarterly changes to budgeted appropriations for the year ended December 31, 2018.

All unexpended annual appropriations lapse at year-end.

2. Excess of Expenditures Over Appropriations

For the year ended December 31, 2018, expenditures exceeded appropriations in the Redstone Ranch Acres Improvement District Fund by \$3,603 and the Twining Flats Improvement District Fund by \$875. Snowplowing costs constitute 95% of the improvement districts' budgets, and November/December 2018 saw large snowfall amounts. Overspending of these appropriations is considered a budgetary violation.

D. Cash, Cash Equivalents, and Investments

Except for departmental petty cash, all cash is deposited with the County Treasurer. The Treasurer invests this cash to achieve the following objectives in order of priority: safety, liquidity, and yield. Cash, cash equivalents, and investments are accounted for as cash and investments in all funds. Investment revenue is allocated to funds in proportion to each fund's share of pooled cash.

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 County.

Investments include amounts invested in securities and are stated at fair value based on quoted market prices. The County's investments in Colorado Statewide Investment Program (CSIP) and Colorado Surplus Asset Fund Trust (CSAFE) are the two exceptions, which are reported at amortized cost. The change in fair value of investments is recognized as an increase or decrease to investments and as investment earnings.

I. Summary of Significant Accounting Policies (continued)

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

The County's investment policy permits investments in the following types of obligations:

- U.S. Treasury Obligations
- U.S. Agencies, Instrumentalities, and Securities as authorized by Colorado Revised Statutes 24-76-601.1(1)(a) and (b)
- FDIC-insured Certificates of Deposit
- Certificates of Deposit at institutions approved as public depositories in Colorado
- Demand Deposit Accounts at institutions approved as public depositories in Colorado
- Colorado Local Government Investment Pools
- Money Market Mutual Funds

E. Restricted Assets

Certain resources are classified as restricted on the balance sheet, because their use is limited. The County reports one restricted asset: restricted cash. This restriction is needed for unliquidated Passenger Facility Charges in the Airport Fund.

F. Receivables

All trade and property tax receivables are reported net of an allowance for uncollectibles, where applicable.

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

G. Deposits Held

The County is required to pay deposits to other entities for leases and certain self-insured benefit programs. These deposits are recorded as an asset on the County's books until the amount is returned to the County.

H. Consumable Inventories

Inventories are stated at cost, determined on a last-in, first-out basis. The cost of inventory items is recorded as an expenditure/expense in the funds when consumed.

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I. Summary of Significant Accounting Policies (continued)

I. Prepaid Expenses

Payments made to vendors for services that will benefit periods beyond December 31, 2018 are recorded as prepaid items by recording an asset and reflecting the expenditure/expense in the year in which services are consumed. At the fund reporting level, an equal amount of fund balance is reported as non-spendable, as this amount is not available for general appropriation.

J. Capital Assets

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their acquisition value as of the date received. The County maintains a capitalization threshold of \$5,000 for non-infrastructure assets and \$50,000 for infrastructure. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are expensed.

All reported capital assets are depreciated except for land, intangible assets, and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure and buildings were estimated based on the County's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

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

I. Summary of Significant Accounting Policies (continued)

K. Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the employer will compensate the employees for the benefits through paid time off or some other means. All compensated absence liabilities include salary-related payments, where applicable.

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

L. Accrued Liabilities and Long-term Obligations

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

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

M. Bond Premiums and Discounts

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

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

N. Fund Balance and Net Position

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

Fund Balance represents the difference between the current assets and current liabilities. Governmental accounting standards establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Fund balance classifications include: Non-spendable, Restricted, Committed, Assigned, and Unassigned.

I. Summary of Significant Accounting Policies (continued)

N. Fund Balance and Net Position (continued)

These classifications reflect not only the nature of funds, but also provide clarity to the level of restriction placed upon fund balance. Fund Balance can have different levels of restraint, such as external versus internal compliance requirements. Unassigned fund balance is a residual classification within the General Fund and proprietary funds. These funds should be the only funds that report a positive unassigned balance. In all other funds, unassigned is limited to negative residual fund balance. For further details of the various fund balance classifications refer to Note III. J.

Committed fund balance classification is used for amounts with a specific purpose determined by formal action by the County BOCC. Assigned fund balance classification is for any informal restrictions placed on funds by the BOCC or County Manager.

Net Position represents the difference between assets, liabilities, and deferred inflow (outflow) of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used or retainage held for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the County or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. All other net position is reported as unrestricted.

The County applies the most restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted net position is available.

O. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the County, these revenues are charges for services for solid waste and airport services. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of each fund.

P. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements (i.e. they are netted).

I. Summary of Significant Accounting Policies (continued)

P. Interfund Activity (continued)

Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund, are recorded as “due from other fund” or “due to other funds” on the balance sheet when they are expected to be liquidated within one year. If the receivable or payable is not expected to be liquidated after one year, it is classified as “advances to other funds”, or “advances from other funds.”

Q. Estimates

The preparation of the financial statements in conformity with GAAP in the United States, requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

R. Deferred Outflows and Inflows of Resources

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County has only one type of item that qualifies for reporting in this category. Accordingly, the item, deferred loss on refunding, is deferred and recognized as an outflow of resources. 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.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The County has only one type of item that qualifies for reporting in this category. Accordingly, the item, property tax revenue, is deferred and recognized as an inflow of resources in the period that the amounts become available and earned.

II. Stewardship, Compliance, and Accountability

A. Violations of Legal or Contractual Provisions

Note I. C. 2., on the excess of expenditures over appropriations, describes a budgetary violation that occurred for the year ended December 31, 2018.

B. Prior Period Adjustments

The County has restated the beginning balance for its discretely presented component unit to reflect a decrease of \$458,208 in accumulated depreciation for the Library collection. The beginning net position of the Pitkin County Library District has been increased to reflect this change.

The County has also restated the beginning fund balances for the General Fund and the Public Health Fund to reflect a transfer of \$471,816 in restricted State Superfund Tip Fee fund balance from the General Fund to the Public Health Fund.

III. Detailed Notes on All Funds

A. Deposits and Investments

The County'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 County's deposits at each financial institution. Deposit balances over \$250,000 are collateralized as required by PDPA. The carrying amount of the County's demand deposits was \$2,912,984 at year end.

The County and the Pitkin County Library District had the following cash and investments with the following maturities:

	Standard & Poors Rating	Carrying Amounts	Less than one year	Less than three years
Deposits:				
Cash on hand	<i>Not Rated</i>	\$ 7,090	\$ 7,090	\$ -
Checking and savings	<i>Not Rated</i>	3,162,717	3,162,717	-
Money market funds	<i>Not Rated</i>	2,122,228	2,122,228	-
Total Deposits		<u>5,292,035</u>	<u>5,292,035</u>	<u>-</u>
Investments:				
Mutual funds	<i>Not Rated</i>	33,720,077	33,720,077	-
Certificates of deposit	<i>Not Rated</i>	28,744,830	15,046,865	13,697,965
Investment pools	<i>AAAm</i>	54,504,012	54,504,012	-
Agencies	<i>AA+</i>	12,399,138	4,676,775	7,722,363
Treasuries	<i>AA+</i>	2,964,902	998,904	1,965,998
Total Investments		<u>132,332,959</u>	<u>108,946,633</u>	<u>23,386,326</u>
Total Cash and Investments		<u>\$ 137,624,994</u>	<u>\$ 114,238,668</u>	<u>\$ 23,386,326</u>

The investment pools represent investments in Colorado Government Liquid Asset Trust (COLOTRUST), Colorado Statewide Investment Program (CSIP), and Colorado Surplus Asset Fund Trust (CSAFE). The fair value of the pool is determined by the pool's net asset value for COLOTRUST. CSIP and CSAFE investments are measured at amortized cost and are therefore reported as such on the County's financial statements. The County has no regulatory oversight for the pools.

At December 31, 2018, the County's investment in investment pools was 41% of the County's investment portfolio. Interest rates for 2018 ranged from 1.58% - 2.48% for COLOTRUST, 1.42% - 2.38% for CSAFE, and 1.46% - 2.46% for CSIP.

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III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Fair Value of Investments

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

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

At December 31, 2018 the County had the following recurring fair value measurements:

Investments Measured at Fair Value	Total	Level 1	Level 2	Level 3
U.S. Treasuries	2,964,902	2,964,902	-	-
U.S. Agencies	12,399,138	12,399,138	-	-
Certificates of deposit	28,744,830	28,744,830	-	-
Mutual funds	33,720,077	33,720,077	-	-
	77,828,947	77,828,947	-	-
 <i>Investments Measured at Net Asset Value</i>				
COLOTRUST	16,040,820			
	16,040,820			
 <i>Investments Measured at Amortized Cost</i>				
CSIP	15,506,909			
CSAFE	22,956,283			
	38,463,192			
Total Investments	\$ 132,332,959			

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

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

Interest Rate Risk. As a means of limiting its exposure to interest rate risk, the County coordinates its investment maturities to closely match cash flow needs and restricts the maximum investment term to less than three years (less in some cases) from the purchase date. As a result of the limited length of maturities the County has limited its interest rate risk.

III. Detailed Notes on All Funds (continued)

A. Deposits and Investments (continued)

Credit Risk. County investment policy limits investments to those authorized by State statutes as listed in Note I. D. The County's general investment policy is to apply the prudent-person rule: investments are made as a prudent person would be expected to act, with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

Concentration of Credit Risk. The County diversifies its investments by security type and institution and limits holdings in any one type of investment with any one issuer and type of issuer. At December 31, 2018, the only County investments greater than 5% of total investment, were COLOTRUST, CSIP and CSAFE which make up 12%, 12% and 17% of the County's investment portfolio, respectively.

At December 31, 2018, unrealized gains or (losses) were (\$338,170), which reflects changes in the fair market value of investments from 2017 to 2018.

Restricted Cash and Investments

The Airport Fund had restricted cash in the amount of \$1,006,984 for unliquidated Passenger Facility Charges (PFC's) at year-end.

Other Cash and Investments

At December 31, 2018, the County's pension trust fund's investments included \$32,807,454 of mutual funds held by its third-party trustee, Wells Fargo.

The Pitkin County Library District, a component unit of the County, held investments totaling \$912,624 at December 31, 2018. At December 31, 2018, Library District investments greater than 5% of total investment, were as follows:

Issuer:	Investment Amount	Investment %
J Hancock II:Global Absolute Return	\$ 65,525	7%
Loomis Sayles Investment Grade Bond	159,860	18%
Litman Gregory Masters Alternative Strategy	62,674	7%
MetWest Total Return	141,215	15%
MainStay Floating Rate	88,749	10%
Vanguard Intermediate Term Bond Index	159,650	17%
Vanguard Total Stock	92,297	10%

III. Detailed Notes on All Funds (continued)

B. Receivables

Receivables at December 31, 2018, consisted of taxes, interest, accounts, and intergovernmental receivables arising from grants. Receivables are net of an allowance for uncollectibles. The allowance for uncollectibles at December 31, 2018 was \$0 .

Receivables and payables are recorded on the County's financial statements to the extent that the amounts are determined to be material and substantiated not only by supporting documentation, but also by a reasonable, systematic method of determining their existence, completeness, valuation, and in the case of receivables, collectability.

C. Property Taxes

Property taxes are levied on or before December 15 of each year and attach as an enforceable lien to the property on January 1. Taxes are payable in full on April 30 or in two installments on February 28 and June 15. The County bills and collects its own property taxes and the taxes for various other entities. In accordance with generally accepted accounting principles, the assessed but uncollected property taxes have been recorded as a receivable and deferred inflow of resources.

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III. Detailed Notes on All Funds (continued)

D. Capital Assets

Capital asset activity for the year ended December 31, 2018 was as follows:

Primary Government:

	Beginning Balance	Increase	Decrease	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 107,008,094	\$ 6,542,665	\$ -	\$ 113,550,759
Intangible assets	49,160,984	1,197,773	-	50,358,757
Construction in progress	17,880,709	4,108,445	(17,486,293)	4,502,861
Total capital assets not being depreciated	<u>174,049,787</u>	<u>11,848,883</u>	<u>(17,486,293)</u>	<u>168,412,377</u>
Depreciable capital assets:				
Buildings	30,730,806	24,534,138	-	55,264,944
Improvements other than buildings	2,126,271	2,179,086	-	4,305,357
Machinery and equipment	16,666,239	4,298,417	(293,262)	20,671,394
Infrastructure	58,392,278	2,198,405	-	60,590,683
Total depreciable capital assets	<u>107,915,594</u>	<u>33,210,046</u>	<u>(293,262)</u>	<u>140,832,378</u>
Less accumulated depreciation for:				
Buildings	(17,592,234)	(674,470)	-	(18,266,704)
Improvements other than buildings	(1,192,443)	(91,215)	-	(1,283,658)
Machinery and equipment	(7,247,624)	(1,337,496)	248,614	(8,336,506)
Infrastructure	(33,720,847)	(948,033)	-	(34,668,880)
Total accumulated depreciation	<u>(59,753,148)</u>	<u>(3,051,214)</u>	<u>248,614</u>	<u>(62,555,748)</u>
Total depreciable capital assets, net	<u>48,162,446</u>	<u>30,158,832</u>	<u>(44,648)</u>	<u>78,276,630</u>
Governmental activities capital assets, net	<u>\$ 222,212,233</u>	<u>\$ 42,007,715</u>	<u>\$ (17,530,941)</u>	<u>\$ 246,689,007</u>
Business-type activities:				
Capital assets not being depreciated:				
Land	\$ 7,923,279	\$ -	\$ -	\$ 7,923,279
Intangible assets	2,955,956	-	-	2,955,956
Construction in progress	2,235,897	1,585,149	(2,226,478)	1,594,568
Total capital assets not being depreciated	<u>13,115,132</u>	<u>1,585,149</u>	<u>(2,226,478)</u>	<u>12,473,803</u>
Depreciable capital assets:				
Buildings	21,005,327	2,212,423	-	23,217,750
Improvements other than buildings	79,485,762	-	-	79,485,762
Machinery and equipment	17,823,491	2,122,278	(544,833)	19,400,936
Infrastructure	-	561,058	-	561,058
Total depreciable capital assets	<u>118,314,580</u>	<u>4,895,759</u>	<u>(544,833)</u>	<u>122,665,506</u>
Less accumulated depreciation for:				
Buildings	(8,222,027)	(544,879)	-	(8,766,906)
Improvements other than buildings	(36,688,915)	(3,642,076)	-	(40,330,991)
Machinery and equipment	(8,983,345)	(1,341,135)	153,631	(10,170,849)
Infrastructure	-	(2,338)	-	(2,338)
Total accumulated depreciation	<u>(53,894,287)</u>	<u>(5,530,428)</u>	<u>153,631</u>	<u>(59,271,084)</u>
Total depreciable capital assets, net	<u>64,420,293</u>	<u>(634,669)</u>	<u>(391,202)</u>	<u>63,394,422</u>
Business-type activities capital assets, net	<u>\$ 77,535,425</u>	<u>\$ 950,480</u>	<u>\$ (2,617,680)</u>	<u>\$ 75,868,225</u>

III. Detailed Notes on All Funds (continued)

D. Capital Assets (continued)

Discretely Presented Component Units:

	Beginning Balance	Increase	Decrease	Ending Balance
Library District:				
Capital assets not being depreciated:				
Land	\$ 144,263	\$ -	\$ -	\$ 144,263
Total capital assets not being depreciated	<u>144,263</u>	<u>-</u>	<u>-</u>	<u>144,263</u>
Depreciable capital assets:				
Buildings	16,746,107	-	-	16,746,107
Improvements other than buildings	13,672	-	-	13,672
Library collections	1,033,005	147,848	(160,118)	1,020,735
Machinery and equipment	818,965	-	-	818,965
Total depreciable capital assets	<u>18,611,749</u>	<u>147,848</u>	<u>(160,118)</u>	<u>18,599,479</u>
Less accumulated depreciation for:				
Buildings	(2,719,764)	(717,272)	-	(3,437,036)
Improvements other than buildings	(13,672)	-	-	(13,672)
Library collections (as restated)	(530,515)	(173,871)	160,112	(544,274)
Machinery and equipment	(293,563)	(81,196)	-	(374,759)
Total accumulated depreciation	<u>(3,557,514)</u>	<u>(972,339)</u>	<u>160,112</u>	<u>(4,369,741)</u>
Total depreciable capital assets, net	<u>15,054,235</u>	<u>(824,491)</u>	<u>(6)</u>	<u>14,229,738</u>
Library District capital assets, net	<u>\$ 15,198,498</u>	<u>\$ (824,491)</u>	<u>\$ (6)</u>	<u>\$ 14,374,001</u>

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

Governmental activities:

General government	\$ 467,331
Public safety	624,748
Public works	1,252,493
Public health and welfare	132,566
Culture and recreation	574,076
Total governmental activities depreciation expense	<u>\$ 3,051,214</u>

Business-type activities:

Airport	\$ 5,036,860
Solid waste center	493,568
Total business-type activities depreciation expense	<u>\$ 5,530,428</u>

Discretely presented component units:

Library district	\$ 972,339
Total discretely presented component units depreciation expense	<u>\$ 972,339</u>

III. Detailed Notes on All Funds (continued)

E. Interfund Balances and Transfers

At December 31, 2018, the Conservation Trust Fund owed \$14,664 to the General Fund to reimburse for expenditures paid throughout the year in the normal course of business.

The following interfund transfers occurred during the year ended December 31, 2018:

Transferred to	Transferred from		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 547,441	\$ 547,441
Open Space and Trails Fund	69,000	-	69,000
Employee Housing Impact Fund	200,000	-	200,000
Capital Fund	650,000	-	650,000
Nonmajor Governmental Funds	734,738	160,000	894,738
Total	\$ 1,653,738	\$ 707,441	\$ 2,361,179

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations, (3) segregate money for anticipated capital projects, (4) provide additional resources for current operations or debt service, and (5) return money to the fund from which it was originally provided once a project is completed.

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

F. Construction Commitments

The County had the following contractual commitments with greater than \$100,000 remaining at year end:

Fund	Project	Contract			
		Commitment	Completed	Retainage	Remaining
Gen	Redstone Coke Ovens	\$ 529,675	\$ (93,759)	\$ 4,465	\$ 440,381
Gen	ERP Implementation	226,390	(49,124)	-	177,266
Gen	Drug & Alcohol Detox	526,816	(380,241)	-	146,575
R&B	Upper Castle Creek Bridge	534,511	(52,934)	-	481,577
Trans	Ruedi Comm. Site	394,742	-	-	394,742
Trans	Broadband Phase I	311,392	-	-	311,392
Ambul	Ambulance Facility	6,961,117	(2,162,043)	102,955	4,902,029
Air	Security Systems Upgrade	2,224,651	(1,791,429)	-	433,222
Air	Custodial Services	453,944	(279,452)	-	174,492
SWC	Aggregate Crushing	300,000	(130,234)	-	169,766
Total		\$ 12,463,238	\$ (4,939,216)	\$ 107,420	\$ 7,631,442

III. Detailed Notes on All Funds (continued)

G. Long-term Obligations

Debt Related to Governmental Activities:

1. 2010 Series A and B Sales Tax Revenue Refunding Bonds

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

The Sales Tax Revenue Bonds are special, limited revenue obligations of the County, secured by a pledge of its 1% sales tax for transit purposes. The outstanding balance of sales tax bonds at December 31, 2018 was \$5,790,000. During 2018, the debt service for these bonds totaled \$656,300. The annual payment of principal and interest on the bonds is secured by a reserve fund.

2. 2013 General Obligation Refunding Bonds

On December 20, 2013, the County issued \$2,845,000 of General Obligation Refunding Bonds, Series 2013. The bonds have a stated interest rate of 2.18%, and mature in annual increments from December 1, 2014 through 2024. The bonds were issued to refund the County's Series 2003 General Obligation Refunding Bonds. The principal balance outstanding at December 31, 2018 was \$1,320,000.

3. 2016 Certificates of Participation

On October 26, 2016, the County issued \$22,790,000 of Pitkin County Certificates of Participation. The certificates bear interest rates from 2% to 4%, and mature in annual increments from November 1, 2017 through 2046. The proceeds were used for the purpose of remodeling and constructing an addition to the Pitkin County Administration and Sheriff Building and paying the costs of issuance of the certificates. Construction was completed in July 2018. The principal balance outstanding at December 31, 2018 was \$21,860,000.

III. Detailed Notes on All Funds (continued)

G. Long-term Obligations (continued)

4. 2016 Series A and B General Obligation Refunding Bonds

On September 26, 2016, the County issued \$4,275,000 of General Obligation Refunding Bonds, Series 2016A. The Bonds have a stated interest rate of 1.95%, and mature in annual increments from December 1, 2017 through 2031. The bonds were issued to refund the County's General Obligation Open Space Acquisition Note – Joy Smith Property. The principal balance outstanding at December 31, 2018 was \$3,785,000. The refunding was undertaken to reduce total debt service payments over the next fifteen years by \$388,715 and resulted in an economic gain of \$644,666.

On December 1, 2016, the County issued \$8,095,000 of General Obligation Refunding Bonds, Series 2016B. The Bonds have a stated interest rate of 1.99%, and mature in annual increments from December 1, 2017 through 2031. The bonds were issued to refund the County's Series 2006 General Obligation Bonds. The principal balance outstanding at December 31, 2018 was \$7,115,000. The refunding was undertaken to reduce total debt service payments over the next twenty years by \$2,158,861 and resulted in an economic gain of \$1,625,133.

5. 2018 Certificates of Participation

On September 6, 2018, the County issued \$6,500,000 of Pitkin County Certificates of Participation through a private placement, which offered more advantageous terms than a public sale. The certificates mature in annual increments from November 1, 2019 through 2038. The maturities through 2033 have a fixed interest rate of 3.33%. The final five maturities bear an initial interest rate of 2.83%, recalculated every five years. The proceeds are being used to construct a new Ambulance facility. The principal balance outstanding at December 31, 2018 was \$6,500,000.

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III. Detailed Notes on All Funds (continued)

G. Long-term Obligations (continued)

6. Annual Debt Service Requirements

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

Governmental Activities						
Years Ending December 31	2010A&B Sales Tax Revenue		2013 GO Refunding		2016A GO Refunding	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	360,000	295,800	210,000	28,776	260,000	73,808
2020	370,000	284,550	210,000	24,198	265,000	68,738
2021	385,000	272,525	220,000	19,620	270,000	63,570
2022	395,000	259,050	220,000	14,824	275,000	58,305
2023	410,000	244,238	225,000	10,028	280,000	52,943
2024 - 2028	1,615,000	969,328	235,000	5,123	1,475,000	180,863
2029 - 2033	800,000	670,237	-	-	960,000	36,491
2034 - 2038	995,000	372,271	-	-	-	-
2039 - 2043	460,000	48,226	-	-	-	-
2044 - 2046	-	-	-	-	-	-
Total	\$ 5,790,000	\$ 3,416,225	\$ 1,320,000	\$ 102,569	\$ 3,785,000	\$ 534,718

Years Ending December 31	2016B GO Refunding		2016 Certificates of Participation		2018 Certificates of Participation	
	Principal	Interest	Principal	Interest	Principal	Interest
2019	510,000	141,589	460,000	784,481	205,229	237,768
2020	515,000	131,440	470,000	775,281	243,574	199,423
2021	530,000	121,191	480,000	765,882	251,685	191,311
2022	540,000	110,644	500,000	746,681	260,066	182,930
2023	550,000	99,898	520,000	726,681	268,727	174,270
2024 - 2028	2,945,000	330,141	2,925,000	3,304,606	1,483,972	731,011
2029 - 2033	1,525,000	53,133	3,560,000	2,671,006	1,748,066	466,917
2034 - 2038	-	-	4,325,000	1,906,356	2,038,681	176,304
2039 - 2043	-	-	5,120,000	1,112,475	-	-
2044 - 2046	-	-	3,500,000	238,781	-	-
Total	\$ 7,115,000	\$ 988,036	\$ 21,860,000	\$ 13,032,230	\$ 6,500,000	\$ 2,359,934

Years Ending December 31	Total	
	Principal	Interest
2019	\$ 2,005,229	\$ 1,562,222
2020	\$ 2,073,574	\$ 1,483,630
2021	\$ 2,136,685	\$ 1,434,099
2022	\$ 2,190,066	\$ 1,372,434
2023	\$ 2,253,727	\$ 1,308,058
2024 - 2028	\$ 10,678,972	\$ 5,521,072
2029 - 2033	\$ 8,593,066	\$ 3,897,784
2034 - 2038	\$ 7,358,681	\$ 2,454,931
2039 - 2043	\$ 5,580,000	\$ 1,160,701
2044 - 2046	\$ 3,500,000	\$ 238,781
Total	\$ 46,370,000	\$ 20,433,712

III. Detailed Notes on All Funds (continued)

G. Long-term Obligations (continued)

7. Changes in Long-term Obligations

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due in One Year
Governmental Activities:					
General obligation:					
Series 2013 refunding	\$ 1,520,000	\$ -	\$ 200,000	\$ 1,320,000	\$ 210,000
Series 2016A refunding	4,040,000	-	255,000	3,785,000	260,000
Series 2016B refunding	7,610,000	-	495,000	7,115,000	510,000
Sales tax revenue Series 2010 A&B	6,140,000	-	350,000	5,790,000	360,000
2016 Certificates of Participation	22,315,000	-	455,000	21,860,000	460,000
2018 Certificates of Participation	-	6,500,000	-	6,500,000	205,229
Deferred amounts:					
Issuance premiums	702,717	-	40,186	662,531	-
Claims payable	844,913	95,438	-	940,351	376,140
Compensated absences	1,804,697	174,558	107,715	1,871,540	748,616
Total - Governmental Activities	\$ 44,977,327	\$ 6,769,996	\$ 1,902,901	\$ 49,844,422	\$ 3,129,985
Business-type Activities:					
Landfill closure and post-closure	\$ 3,489,713	\$ -	\$ 448,475	\$ 3,041,238	\$ -
Compensated absences	239,381	39,479	-	278,860	111,544
Total - Business-type Activities	\$ 3,729,094	\$ 39,479	\$ 448,475	\$ 3,320,098	\$ 111,544
Component Units:					
Pitkin County Library District:					
Compensated absences	\$ 129,366	\$ 18,407	\$ -	\$ 147,773	\$ 59,109
Total - Component Units	\$ 129,366	\$ 18,407	\$ -	\$ 147,773	\$ 59,109

The 2016 Series A and B refunding bonds and the 2013 GO bonds are being repaid by the Open Space and Trails Fund. The 2016 Certificates of Participation are being repaid by the Capital Fund, and the 2018 Certificates of Participation are being repaid by the Ambulance District Fund. The County's 2010 sales tax revenue bonds are being retired from the Debt Service Fund.

The landfill closure and postclosure care liability is being retired by the Solid Waste Fund. The compensated absences liability will be paid from the following funds from which the employees' salaries are paid: General Fund, Open Space and Trails Fund, Public Health Fund, Human Services Fund, Healthy Rivers and Streams Fund, Healthy Community Fund, Road & Bridge Fund, Transit Sales and Use Tax Fund, Airport Fund, Solid Waste Center Fund, and the Pitkin County Library component unit.

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

III. Detailed Notes on All Funds (continued)

G. Long-term Obligations (continued)

8. Conduit Debt Obligations

From time to time, the County has issued Industrial Revenue Bonds to provide financial assistance to private-sector entities for the acquisition and construction of affordable housing projects or industrial and commercial facilities deemed to be in the public interest.

The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private sector entity served by the bond issuance. Neither the County, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of December 31, 2018, there was one series of Industrial Revenue bonds outstanding with an aggregate principal amount payable of \$9,750,000.

H. Landfill Closure and Postclosure Care Costs

State and Federal laws and regulations require the County to place a final cover on its landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each Balance Sheet date. Total closure and postclosure care costs are currently estimated to be \$4,126,174, with closure costs estimated to be \$2,197,536 and postclosure care cost estimated to be \$1,928,638. The \$3,041,238 reported as landfill closure and postclosure care liability at December 31, 2018, represents the cumulative amount reported to date based on the use of 73.71% of the capacity of the landfill. The County will recognize the remaining estimated cost of closure and postclosure care of \$1,084,936 as the remaining estimated capacity is filled. These amounts are based on estimates of what it would cost to perform all closure and postclosure care in 2018. The County expects to close the landfill in 2030 (if future expansions are not approved). Actual costs may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

The County is required by State and Federal laws and regulations to provide assurance that the County has the ability to meet its financial obligations relating to closure and postclosure monitoring of the landfill. The County is in compliance with these requirements. However, if the County's financial position significantly changes in the future and resources are not available, or costs significantly change (due to changes in technology or applicable laws or regulations, for example) these costs may need to be covered by charges to future landfill users or from future tax revenue.

III. Detailed Notes on All Funds (continued)

I. Retirement Plans

Defined Contribution Plan 401(a): Effective January 1, 1983, the County withdrew from Social Security and the Colorado County Officials and Employees Retirement Association (CCOERA) 401(a) Plan and formed a replacement retirement plan, the Pitkin County Public Employees Retirement Plan (PCPERP). PCPERP is a qualified plan as defined by Internal Revenue Service (IRS) Code Section 401(a) and Colorado Revised Statutes Title 24, Article 54. The plan provides retirement benefits through a defined contribution plan. Plan investment purchases are determined by each plan participant, and therefore the plan's investment concentration varies between participants.

All full-time and part-time employees (employment status of working at least 20 hours per week and for 8 months or more in a calendar year) of the County and the Library District participate in the PCPERP plan upon starting with the County. The County contributed 13% of participants' compensation to the plan during 2018 and purchased replacement insurance coverage for Social Security's life, disability, and survivor benefits. The County can only change the contribution rate through recommendation by the County Retirement Board and approval by the BOCC. Employee contributions are not allowed under the plan. Participants are vested at 50% of the County's contribution upon their date of hire and thereafter at the rate of 60%, 75%, and 100% for years 1-3, respectively. Upon termination of employment a participant's unvested share is forfeited back to the County to fund plan administrative expenses. Total forfeitures for 2018 were \$62,795. The PCPERP is included in the accompanying financial statements as the Pension Trust Fund using the accrual basis of accounting. The County allows 401a loans, but distributions are not available to employees until termination, retirement, or death.

During 2018, there were 387 total participants. The County made the required contribution amounting to \$2,925,887.

Defined Contribution Plan 457: The County offers its employees a voluntary deferred compensation plan created in accordance with IRS Code Section 457(b) that is administered by CCOERA. The plan is available to all employees and permits them to defer a portion of their salary until future years. Contributions to the plan can be made before-tax or after-tax (i.e. Roth). However, the total contributions are limited to the annual IRS retirement plan limits or 100% of net pay, whichever is less. The County allows 457(b) loans, but distributions are only available for qualified unforeseeable emergencies, separation of service, retirement, or death. There are no provisions for in service withdrawals and Roth assets are not eligible for emergency withdrawals. Roth assets are not eligible for loans or emergency withdrawals. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property, or rights are to be held in trust for the exclusive benefit of the plan participants and their beneficiaries. Plan investment purchases are determined by each plan participant and therefore, the plan's investment concentration varies between participants. In 2018, there were 132 total participants.

III. Detailed Notes on All Funds (continued)

J. Fund Balance Disclosure

The County classifies governmental fund balances as follows:

Non-spendable - includes fund balance amounts that cannot be spent either because they are not in spendable form or because of legal or contractual requirements.

Spendable Fund Balance:

Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by providers, such as creditors or amounts constrained due to constitutional provisions or enabling legislation.

Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through adoption of a formal Resolution by the highest level of decision making authority, which is the BOCC. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (i.e. the adoption of another resolution to remove or revise the limitation).

Assigned – includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Assigned fund balance represents amounts constrained by the County's intent to use them for a specific purpose. The authority to assign has been delegated to the BOCC or its management designee (i.e. County Manager). An intended use of any amount may also be expressed by the BOCC and recorded in the minutes of a BOCC meeting.

Unassigned - includes residual positive fund balance within the General Fund and proprietary funds which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

The County uses restricted amounts to be spent first when both restricted and unrestricted fund balance is available unless there are legal documents/contracts that prohibit doing this, such as in grant agreements requiring dollar for dollar spending. Additionally, the County would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The County does not have a formal minimum fund balance policy. However, the County's budget includes a calculation of a targeted reserve position and calculates targets and reports them annually to the BOCC.

III. Detailed Notes on All Funds (continued)

J. Fund Balance Disclosure (continued)

As of December 31, 2018, fund balances are composed of the following:

	General Fund	Other Governmental Funds	Total Governmental Funds	Description
Non-spendable:				
Not in spendable form:				
Inventories	\$ 608,925	\$ 27,995	\$ 636,920	
Prepays	10,217	-	10,217	
EHOP loans	509,235	-	509,235	
Contractually required to be maintained intact:				
Other deposits	45,932	-	45,932	
Restricted:				
Aviation fuel tax	-	150,097	150,097	Federal Aviation
Capital projects	-	3,179,555	3,179,555	Legislative Restriction
Conservation trust	-	2,519	2,519	Legislative Restriction
Debt service	-	148,419	148,419	Legislative Restriction
Emergency reserve	840,544	1,459,361	2,299,905	Legislative Restriction
Healthy rivers & streams	-	2,625,079	2,625,079	Legislative Restriction
Human services	-	493,339	493,339	Legislative Restriction
Public health	-	6,009,245	6,009,245	Legislative Restriction
Road and bridge	-	2,117,963	2,117,963	Legislative Restriction
State superfund tip fees	-	478,687	478,687	Legislative Restriction
Translator	-	893,274	893,274	Legislative Restriction
Committed:				
Animal shelter	247,836	-	247,836	BOCC Resolution
Clerk's programs	172,069	-	172,069	BOCC Resolution
Employee housing	-	2,396,862	2,396,862	BOCC Resolution
Open space & trails	-	21,323,464	21,323,464	BOCC Resolution
Park dedication fees	337,627	-	337,627	BOCC Resolution
Transportation	-	9,319,985	9,319,985	BOCC Resolution
Assigned:				
Budget carryforwards	600,767	-	600,767	BOCC Resolution
Health claims	3,089,730	-	3,089,730	County Manager Action
Operating reserve & contingency	3,519,961	-	3,519,961	BOCC Informal Action
Tipsy tax	100,254	-	100,254	BOCC Informal Action
Unassigned	9,422,838	-	9,422,838	
Total Fund Balances	<u>\$ 19,505,935</u>	<u>\$ 50,625,844</u>	<u>\$ 70,131,779</u>	

IV. Other Notes

A. Risk Management

The County participates in three risk management pools.

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

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

The State of Colorado has a strict application and annual renewal process which includes funding verification, excess insurance coverage verification, claims data review, and provision of comprehensive loss prevention and control program as well as self-insurer's bond with a bond sum of \$1,090,282 to cover the County's risk retention portion.

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

County's Casualty and Property - The County is exposed to various risks of loss related to casualty and property losses. The property and general liability program provides for the County to assume a portion of self-insured losses. The County self-insures the first \$50,000 of each property loss and has an aggregate stop loss of \$300,000 for general liability claims. Excess insurance coverage is purchased to cover claims above these limits.

The County funds all claim settlements up to the self-insured limit from General Fund resources. There have been no settlements that exceed the County's excess insurance coverage during the past three years. The County currently accounts for all risk management activities in its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. These losses included an estimate of claims that have been incurred, but not reported.

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

IV. Other Notes (continued)

B. Contingent Liabilities

The County has received Federal and State grants for specific purposes that are subject to review and audit by the grantor agencies or their designee. These audits could result in a request for reimbursement to the grantor agency for costs disallowed under terms of the grant. Based on prior experience, the County believes such disallowances, if any, will be immaterial.

The County was involved in various lawsuits at December 31, 2018. In the opinion of County management, the outcome of these contingencies will not have a material effect on the financial position of the County.

C. TABOR Amendment

Colorado voters passed an amendment (the "TABOR Amendment") to the State Constitution, Article X, Section 20, which imposes several limitations, including revenue raising, spending abilities, and other specific requirements of state and local governments. The TABOR Amendment is complex and subject to judicial interpretation. The County believes it is in compliance with the requirements of the TABOR Amendment. However, the County has made certain interpretations of the TABOR Amendment's language in order to determine its compliance. County voters have approved ballot questions to exempt the County and Library District from the revenue limitations of the TABOR Amendment.

One of the requirements of the TABOR Amendment is to establish emergency reserves to be used for declared emergencies only. Emergencies, as defined by the TABOR Amendment, exclude economic conditions, revenue shortfalls, or salary or fringe benefit increases. These reserves are required to be 3% or more of fiscal year revenue (with certain exceptions). The County has restricted a portion of its December 31, 2018 year end fund balances for emergencies as required under the TABOR Amendment in the aggregate amount of \$2,299,905.

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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

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

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

TV and FM Translator Fund - In 1982, the voters approved a dedicated property tax to fund TV and FM broadcasting services to the public. Voters later approved expanding the fund's scope to include broadband.

Healthy Community Fund - In 2006, voters approved an increase in property taxes to support contributions to Human Service Agencies and Community Non-profits. The property tax was authorized for six years, but was reauthorized at a higher rate in 2011 for the 2013 budget year. Voters renewed the Healthy Community Fund property tax in 2018 for a nine year period with a 33% increase.

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

Healthy Rivers and Streams Fund - On November 4, 2008, voters authorized a sales tax of .1% dedicated to establishing a Healthy Rivers and Streams Fund. The voters also authorized that the County's debt may be increased to an amount not to exceed \$12 million in relation to this fund with a repayment out of this fund. No debt has been issued to date. The ballot language outlined specific objectives for this fund: 1) Maintaining and improving water quality and quantity within the Roaring Fork watershed; 2) Purchasing, adjudicating changes of, leasing, using, banking, selling, and protecting water rights for the benefit of the Roaring Fork watershed; 3) Working to secure, create, and augment minimum stream flows in conjunction with non-profits, grant opportunities, and wildlife and riparian habitat; 4) Promoting water conservation; 5) Improving and constructing capital facilities that contribute to the objectives listed above.

Public Health Fund - The Public Health Fund was established in 2017. Mandated public health functions had previously been out-sourced to a non-profit organization, Community Health Services. In 2018, the Environmental Health department and the Smuggler Superfund were also moved from the General Fund to the Public Health Fund.

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

GOVERNMENTAL FUNDS (continued)

Nonmajor Special Revenue Funds (continued)

Redstone Ranch Acres and *Twining Flats General Improvement District Funds* - These Districts were formed to improve roads and provide maintenance to specific areas in the County. The Twining Flats Improvement District issued debt in 2006 and also collects property tax to improve roads in the District. The debt has since been paid off. There is insufficient support in the Redstone Ranch Acres Improvement District for the issuance of bonds, so only minor improvements have been completed. The Board of County Commissioners acts as the board of directors for both of these Districts and sets the supporting property tax levy.

DEBT SERVICE FUNDS

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

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

CAPITAL PROJECTS FUNDS

Capital Projects Funds account for financial resources collected and used for the acquisition or construction of major capital facilities.

Capital Fund - This fund accounts for resources assessed to be used to acquire capital assets and for the construction of major capital projects, excluding capital assets acquired by proprietary or special revenue funds.

Pitkin County, Colorado
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2018

	Special Revenue											
	Road and Bridge Fund	Human Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy Rivers and Streams Fund	Public Health Fund	Ambulance District Fund	Redstone Ranch Acres GID Fund	Twining Flats GID Fund	Sales Tax Debt Service Fund	Total Nonmajor Governmental Funds
Assets:												
Cash and investments	\$ 1,467,820	\$ 326,255	\$ 1,015,795	\$ 235,683	\$ -	\$ 2,556,579	\$ 751,541	\$ 6,290,855	\$ 14,464	\$ 27,854	\$ 58,598	\$ 12,745,444
Property tax receivable	563,254	202,273	902,449	3,105,676	-	-	-	1,225,348	8,942	8,657	-	6,016,599
Other receivables, net of allowance for uncollectibles	-	2,062	-	-	-	-	-	9,868	-	-	-	11,930
Due from other governments	968,828	127,219	-	-	17,183	200,399	74,999	-	-	-	109,301	1,497,929
Inventories	27,995	-	-	-	-	-	-	-	-	-	-	27,995
Total Assets	<u>\$ 3,027,897</u>	<u>\$ 657,809</u>	<u>\$ 1,918,244</u>	<u>\$ 3,341,359</u>	<u>\$ 17,183</u>	<u>\$ 2,756,978</u>	<u>\$ 826,540</u>	<u>\$ 7,526,071</u>	<u>\$ 23,406</u>	<u>\$ 36,511</u>	<u>\$ 167,899</u>	<u>\$ 20,299,897</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances:												
Liabilities:												
Accounts payable	\$ 164,133	\$ 2,018	\$ 77,062	\$ 42,827	\$ -	\$ 24,400	\$ 17,614	\$ 549,676	\$ 3,600	\$ -	\$ -	\$ 881,330
Accrued liabilities	7,435	6,261	1,639	425	-	1,224	3,553	32	-	-	-	20,569
Due to other governments	3,369	14,294	5,498	-	-	-	2,871	10,000	-	-	-	36,032
Due to other funds	-	-	-	-	14,664	-	-	-	-	-	-	14,664
Deposits	9,250	-	-	-	-	-	-	-	-	-	-	9,250
Total Liabilities	<u>184,187</u>	<u>22,573</u>	<u>84,199</u>	<u>43,252</u>	<u>14,664</u>	<u>25,624</u>	<u>24,038</u>	<u>559,708</u>	<u>3,600</u>	<u>-</u>	<u>-</u>	<u>961,845</u>
Deferred Inflows of Resources:												
Property taxes assessed but not collectible until 2019	563,254	202,273	902,449	3,105,676	-	-	-	1,225,348	8,942	8,657	-	6,016,599
Total Deferred Inflows of Resources	<u>563,254</u>	<u>202,273</u>	<u>902,449</u>	<u>3,105,676</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,225,348</u>	<u>8,942</u>	<u>8,657</u>	<u>-</u>	<u>6,016,599</u>
Fund Balances:												
Nonspendable	27,995	-	-	-	-	-	-	-	-	-	-	27,995
Restricted	2,252,461	432,963	931,596	192,431	2,519	2,731,354	802,502	5,741,015	10,864	27,854	167,899	13,293,458
Total Fund Balances	<u>2,280,456</u>	<u>432,963</u>	<u>931,596</u>	<u>192,431</u>	<u>2,519</u>	<u>2,731,354</u>	<u>802,502</u>	<u>5,741,015</u>	<u>10,864</u>	<u>27,854</u>	<u>167,899</u>	<u>13,321,453</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 3,027,897</u>	<u>\$ 657,809</u>	<u>\$ 1,918,244</u>	<u>\$ 3,341,359</u>	<u>\$ 17,183</u>	<u>\$ 2,756,978</u>	<u>\$ 826,540</u>	<u>\$ 7,526,071</u>	<u>\$ 23,406</u>	<u>\$ 36,511</u>	<u>\$ 167,899</u>	<u>\$ 20,299,897</u>

Pitkin County, Colorado
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended December 31, 2018

	Special Revenue										Total Nonmajor Governmental Funds	
	Road and Bridge Fund	Human Services Fund	Translator Fund	Healthy Community Fund	Conservation Trust Fund	Healthy Rivers and Streams Fund	Public Health Fund	Ambulance District Fund	Redstone Ranch Acres GID Fund	Twining Flats GID Fund		Sales Tax Debt Service Fund
Revenues:												
Taxes	\$ 4,254,989	\$ 208,944	\$ 871,140	\$ 2,414,116	\$ -	\$ 1,121,476	\$ -	\$ 1,267,625	\$ 8,882	\$ 8,686	\$ 588,699	\$ 10,744,557
Intergovernmental	1,459,526	2,025,191	354,997	-	59,056	-	460,299	-	-	-	56,685	4,415,754
Licenses and permits	23,415	-	-	-	-	-	105,026	-	-	-	-	128,441
Impact fees	77,217	-	-	-	-	-	-	-	-	-	-	77,217
Investment earnings	17,743	8,587	27,901	11,957	1,127	39,287	16,978	72,624	271	554	3,948	200,977
Miscellaneous	25,075	5,876	29,062	184,299	-	276	8,412	13	-	-	-	253,013
Total Revenues	<u>5,857,965</u>	<u>2,248,598</u>	<u>1,283,100</u>	<u>2,610,372</u>	<u>60,183</u>	<u>1,161,039</u>	<u>590,715</u>	<u>1,340,262</u>	<u>9,153</u>	<u>9,240</u>	<u>649,332</u>	<u>15,819,959</u>
Expenditures:												
Current:												
Public safety	-	-	-	-	-	-	-	889,955	-	-	-	889,955
Public works	3,349,637	-	887,491	-	-	-	-	-	10,037	10,824	-	4,257,989
Public health and welfare	-	2,427,541	-	2,034,866	-	-	1,241,116	-	-	-	-	5,703,523
Culture and recreation	-	-	-	-	-	622,082	-	-	-	-	-	622,082
Debt service:												
Principal	-	-	-	-	-	-	-	-	-	-	350,000	350,000
Interest	-	-	-	-	-	-	-	-	-	-	307,796	307,796
Capital outlay:												
Public safety	-	-	-	-	-	-	-	2,955,771	-	-	-	2,955,771
Public works	350,515	-	1,278,633	-	-	-	-	-	-	-	-	1,629,148
Culture and recreation	-	-	-	-	-	243,968	-	-	-	-	-	243,968
Total Expenditures	<u>3,700,152</u>	<u>2,427,541</u>	<u>2,166,124</u>	<u>2,034,866</u>	<u>-</u>	<u>866,050</u>	<u>1,241,116</u>	<u>3,845,726</u>	<u>10,037</u>	<u>10,824</u>	<u>657,796</u>	<u>16,960,232</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>2,157,813</u>	<u>(178,943)</u>	<u>(883,024)</u>	<u>575,506</u>	<u>60,183</u>	<u>294,989</u>	<u>(650,401)</u>	<u>(2,505,464)</u>	<u>(884)</u>	<u>(1,584)</u>	<u>(8,464)</u>	<u>(1,140,273)</u>
Other Financing Sources (Uses):												
Issuance of debt	-	-	-	-	-	-	-	6,500,000	-	-	-	6,500,000
Proceeds from sale of assets	102,489	-	5,701	-	-	-	-	21,470	-	-	-	129,660
Transfers in	-	235,000	-	-	-	-	659,738	-	-	-	-	894,738
Transfers out	-	-	-	(649,441)	(58,000)	-	-	-	-	-	-	(707,441)
Total Other Financing Sources (Uses)	<u>102,489</u>	<u>235,000</u>	<u>5,701</u>	<u>(649,441)</u>	<u>(58,000)</u>	<u>-</u>	<u>659,738</u>	<u>6,521,470</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,816,957</u>
Net Change in Fund Balances	- 2,260,302	56,057	(877,323)	(73,935)	2,183	294,989	9,337	4,016,006	(884)	(1,584)	(8,464)	5,676,684
Fund Balances - Beginning (as restated)	<u>20,154</u>	<u>376,906</u>	<u>1,808,919</u>	<u>266,366</u>	<u>336</u>	<u>2,436,365</u>	<u>793,165</u>	<u>1,725,009</u>	<u>11,748</u>	<u>29,438</u>	<u>176,363</u>	<u>7,644,769</u>
Fund Balances - Ending	<u>\$ 2,280,456</u>	<u>\$ 432,963</u>	<u>\$ 931,596</u>	<u>\$ 192,431</u>	<u>\$ 2,519</u>	<u>\$ 2,731,354</u>	<u>\$ 802,502</u>	<u>\$ 5,741,015</u>	<u>\$ 10,864</u>	<u>\$ 27,854</u>	<u>\$ 167,899</u>	<u>\$ 13,321,453</u>

Pitkin County, Colorado
Road and Bridge Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	2018			Final Budget Variance Positive (Negative)	2017
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
Sales tax	\$ 2,556,228	\$ 3,640,166	\$ 3,698,877	\$ 58,711	\$ 997,566
General property tax	536,551	536,551	536,531	(20)	507,459
Specific ownership tax	9,488	9,488	19,581	10,093	18,620
Intergovernmental:					
Federal	-	340,000	-	(340,000)	-
State	1,252,479	1,252,479	1,430,981	178,502	1,247,998
Other governmental units	40,000	40,000	28,545	(11,455)	23,632
Licenses and permits	12,000	12,000	23,415	11,415	16,265
Impact fees	130,000	130,000	77,217	(52,783)	-
Charges for services:					
Public works	-	-	-	-	486
Investment earnings	-	-	17,743	17,743	1,610
Miscellaneous:					
Refund of expenditures	-	-	25,075	25,075	50,435
Total Revenues	<u>4,536,746</u>	<u>5,960,684</u>	<u>5,857,965</u>	<u>(102,719)</u>	<u>2,864,071</u>
Expenditures:					
Current:					
Public works	3,415,409	4,499,347	3,349,637	1,149,710	2,811,541
Capital outlay:					
Public works	785,000	1,125,000	350,515	774,485	32,376
Total Expenditures	<u>4,200,409</u>	<u>5,624,347</u>	<u>3,700,152</u>	<u>1,924,195</u>	<u>2,843,917</u>
Excess of Revenues Over Expenditures	<u>336,337</u>	<u>336,337</u>	<u>2,157,813</u>	<u>1,821,476</u>	<u>20,154</u>
Other Financing Sources:					
Proceeds from sale of assets	87,750	87,750	102,489	14,739	-
Total Other Financing Sources	<u>87,750</u>	<u>87,750</u>	<u>102,489</u>	<u>14,739</u>	<u>-</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$ 424,087</u>	<u>\$ 424,087</u>	2,260,302	<u>\$ 1,836,215</u>	20,154
Fund Balance - Beginning			<u>20,154</u>		<u>-</u>
Fund Balance - Ending			<u>\$ 2,280,456</u>		<u>\$ 20,154</u>

Pitkin County, Colorado
Human Services Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	2018			2017	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Taxes:					
General property tax	\$ 201,594	\$ 201,594	\$ 201,587	\$ (7)	\$ 190,773
Specific ownership tax	7,185	7,185	7,357	172	6,996
Intergovernmental:					
Federal	538,196	538,196	457,145	(81,051)	493,017
State	1,372,472	1,464,591	1,568,046	103,455	1,563,103
Investment earnings	-	-	8,587	8,587	3,915
Miscellaneous:					
Refund of expenditures	2,000	2,000	1,051	(949)	1,954
Contributions	-	-	4,825	4,825	2,571
Other	86,250	86,250	-	(86,250)	-
Total Revenues	<u>2,207,697</u>	<u>2,299,816</u>	<u>2,248,598</u>	<u>(51,218)</u>	<u>2,262,329</u>
Expenditures:					
Current:					
Public health and welfare	2,717,541	2,826,469	2,427,541	398,928	2,387,324
Total Expenditures	<u>2,717,541</u>	<u>2,826,469</u>	<u>2,427,541</u>	<u>398,928</u>	<u>2,387,324</u>
Deficiency of Revenues Over Expenditures	<u>(509,844)</u>	<u>(526,653)</u>	<u>(178,943)</u>	<u>347,710</u>	<u>(124,995)</u>
Other Financing Sources:					
Transfers in	435,000	435,000	235,000	(200,000)	235,000
Total Other Financing Sources	<u>435,000</u>	<u>435,000</u>	<u>235,000</u>	<u>(200,000)</u>	<u>235,000</u>
Excess of Revenues and Other Financing Sources Over Expenditures	<u>\$ (74,844)</u>	<u>\$ (91,653)</u>	56,057	<u>\$ 147,710</u>	110,005
Fund Balance - Beginning			<u>376,906</u>		<u>266,901</u>
Fund Balance - Ending			<u>\$ 432,963</u>		<u>\$ 376,906</u>

Pitkin County, Colorado
Translator Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			<u>Final Budget</u>	<u>2017</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Taxes:					
General property tax	\$ 840,492	\$ 840,492	\$ 840,466	\$ (26)	\$ 800,782
Specific ownership tax	29,956	29,956	30,674	718	29,383
Intergovernmental:					
State	-	433,874	354,997	(78,877)	462,926
Investment earnings	15,560	15,560	27,901	12,341	17,472
Miscellaneous:					
Rents and royalties	30,000	30,000	28,161	(1,839)	29,812
Refund of expenditures	-	-	901	901	2,434
Total Revenues	<u>916,008</u>	<u>1,349,882</u>	<u>1,283,100</u>	<u>(66,782)</u>	<u>1,342,809</u>
Expenditures:					
Current:					
Public works	833,701	951,469	887,491	63,978	659,648
Capital outlay:					
Public works	<u>1,315,000</u>	<u>1,833,287</u>	<u>1,278,633</u>	<u>554,654</u>	<u>372,480</u>
Total Expenditures	<u>2,148,701</u>	<u>2,784,756</u>	<u>2,166,124</u>	<u>618,632</u>	<u>1,032,128</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>(1,232,693)</u>	<u>(1,434,874)</u>	<u>(883,024)</u>	<u>551,850</u>	<u>310,681</u>
Other Financing Sources:					
Proceeds from sale of assets	-	-	5,701	5,701	-
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>5,701</u>	<u>5,701</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other					
Financing Sources Over Expenditures	<u>\$ (1,232,693)</u>	<u>\$ (1,434,874)</u>	<u>(877,323)</u>	<u>\$ 557,551</u>	<u>310,681</u>
Fund Balance - Beginning			<u>1,808,919</u>		<u>1,498,238</u>
Fund Balance - Ending			<u>\$ 931,596</u>		<u>\$ 1,808,919</u>

Pitkin County, Colorado
Healthy Community Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			Final Budget	<u>2017</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative)	<u>Actual</u>
Revenues:					
Taxes:					
General property tax	\$ 2,329,190	\$ 2,329,190	\$ 2,329,112	\$ (78)	\$ 2,221,087
Specific ownership tax	71,056	71,056	85,004	13,948	81,475
Investment earnings	12,310	12,310	11,957	(353)	2,005
Miscellaneous:					
Refund of expenditures	-	-	24	24	-
Contributions	183,825	183,825	184,275	450	-
Total Revenues	<u>2,596,381</u>	<u>2,596,381</u>	<u>2,610,372</u>	<u>13,991</u>	<u>2,304,567</u>
Expenditures:					
Current:					
Public health and welfare	2,097,758	2,142,480	2,034,866	107,614	1,757,510
Total Expenditures	<u>2,097,758</u>	<u>2,142,480</u>	<u>2,034,866</u>	<u>107,614</u>	<u>1,757,510</u>
Excess of Revenues					
Over Expenditures	<u>498,623</u>	<u>453,901</u>	<u>575,506</u>	<u>121,605</u>	<u>547,057</u>
Other Financing Uses:					
Transfers out	(649,441)	(649,441)	(649,441)	-	(510,971)
Total Other Financing Uses	<u>(649,441)</u>	<u>(649,441)</u>	<u>(649,441)</u>	<u>-</u>	<u>(510,971)</u>
Excess (Deficiency) of Revenues Over					
Expenditures and Other Financing Uses	<u>\$ (150,818)</u>	<u>\$ (195,540)</u>	<u>(73,935)</u>	<u>\$ 121,605</u>	<u>36,086</u>
Fund Balance - Beginning			<u>266,366</u>		<u>230,280</u>
Fund Balance - Ending			<u>\$ 192,431</u>		<u>\$ 266,366</u>

Pitkin County, Colorado
Conservation Trust Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	2018			Final Budget Variance Positive (Negative)	2017
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental:					
State	\$ 58,000	\$ 58,000	\$ 59,056	\$ 1,056	\$ 58,018
Investment earnings	470	470	1,127	657	206
Total Revenues	<u>58,470</u>	<u>58,470</u>	<u>60,183</u>	<u>1,713</u>	<u>58,224</u>
Other Financing Uses:					
Transfers out	(58,000)	(58,000)	(58,000)	-	(60,000)
Total Other Financing Uses	<u>(58,000)</u>	<u>(58,000)</u>	<u>(58,000)</u>	<u>-</u>	<u>(60,000)</u>
Excess (Deficiency) of Revenues Over Other Financing Uses	<u>\$ 470</u>	<u>\$ 470</u>	2,183	<u>\$ 1,713</u>	(1,776)
Fund Balance - Beginning			<u>336</u>		<u>2,112</u>
Fund Balance - Ending			<u>\$ 2,519</u>		<u>\$ 336</u>

Pitkin County, Colorado
Healthy Rivers and Streams Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	2018			Final Budget Variance Positive (Negative)	2017
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
Sales tax	\$ 1,067,987	\$ 1,067,987	\$ 1,121,476	\$ 53,489	\$ 1,061,785
Investment earnings	17,480	17,480	39,287	21,807	24,886
Miscellaneous:					
Refund of expenditures	-	-	276	276	625
Total Revenues	<u>1,085,467</u>	<u>1,085,467</u>	<u>1,161,039</u>	<u>75,572</u>	<u>1,087,296</u>
Expenditures:					
Current:					
Culture and recreation	1,477,553	1,851,284	622,082	1,229,202	548,905
Capital outlay:					
Culture and recreation	557,500	757,500	243,968	513,532	743,690
Total Expenditures	<u>2,035,053</u>	<u>2,608,784</u>	<u>866,050</u>	<u>1,742,734</u>	<u>1,292,595</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (949,586)</u>	<u>\$ (1,523,317)</u>	294,989	<u>\$ 1,818,306</u>	(205,299)
Fund Balance - Beginning			<u>2,436,365</u>		<u>2,641,664</u>
Fund Balance - Ending			<u>\$ 2,731,354</u>		<u>\$ 2,436,365</u>

Pitkin County, Colorado
Public Health Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017, as restated)

	<u>2018</u>			<u>2017</u>	
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final Budget Variance Positive (Negative)</u>	<u>Actual (as restated)</u>
Revenues:					
Intergovernmental:					
Federal	\$ -	\$ -	\$ -	\$ -	\$ 22,065
State	274,879	767,077	409,082	(357,995)	102,799
Other governmental units	70,800	70,800	51,217	(19,583)	40,496
Licenses and permits	107,135	107,135	105,026	(2,109)	-
Investment earnings	-	-	16,978	16,978	-
Miscellaneous:					
Refund of expenditures	7,000	7,000	4,037	(2,963)	2,734
Contributions	-	87,712	4,375	(83,337)	5,000
Total Revenues	<u>459,814</u>	<u>1,039,724</u>	<u>590,715</u>	<u>(449,009)</u>	<u>173,094</u>
Expenditures:					
Current:					
Public health and welfare	<u>1,078,341</u>	<u>1,740,892</u>	<u>1,241,116</u>	<u>499,776</u>	<u>334,879</u>
Total Expenditures	<u>1,078,341</u>	<u>1,740,892</u>	<u>1,241,116</u>	<u>499,776</u>	<u>334,879</u>
Deficiency of Revenues Over Expenditures	<u>(618,527)</u>	<u>(701,168)</u>	<u>(650,401)</u>	<u>50,767</u>	<u>(161,785)</u>
Other Financing Sources:					
Transfers in	<u>500,000</u>	<u>659,738</u>	<u>659,738</u>	<u>-</u>	<u>954,950</u>
Total Other Financing Sources	<u>500,000</u>	<u>659,738</u>	<u>659,738</u>	<u>-</u>	<u>954,950</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>\$ (118,527)</u>	<u>\$ (41,430)</u>	<u>9,337</u>	<u>\$ 50,767</u>	<u>793,165</u>
Fund Balance - Beginning			<u>793,165</u>		<u>-</u>
Fund Balance - Ending			<u>\$ 802,502</u>		<u>\$ 793,165</u>

Pitkin County, Colorado
Ambulance District Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	2018			Final Budget Variance Positive (Negative)	2017
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property tax	\$ 1,223,398	\$ 1,223,398	\$ 1,222,977	\$ (421)	\$ 1,137,656
Specific ownership tax	44,041	44,041	44,648	607	41,756
Intergovernmental:					
State	-	-	-	-	90,316
Investment earnings	9,180	9,180	72,624	63,444	17,238
Miscellaneous:					
Refund of expenditures	-	-	13	13	-
Total Revenues	<u>1,276,619</u>	<u>1,276,619</u>	<u>1,340,262</u>	<u>63,643</u>	<u>1,286,966</u>
Expenditures:					
Current:					
Public safety	1,727,621	1,827,794	889,955	937,839	648,875
Capital outlay:					
Public safety	6,744,031	7,487,424	2,955,771	4,531,653	227,337
Total Expenditures	<u>8,471,652</u>	<u>9,315,218</u>	<u>3,845,726</u>	<u>5,469,492</u>	<u>876,212</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(7,195,033)</u>	<u>(8,038,599)</u>	<u>(2,505,464)</u>	<u>5,533,135</u>	<u>410,754</u>
Other Financing Sources:					
Issuance of debt	6,615,000	6,615,000	6,500,000	(115,000)	-
Proceeds from sale of assets	37,500	37,500	21,470	(16,030)	-
Total Other Financing Sources	<u>6,652,500</u>	<u>6,652,500</u>	<u>6,521,470</u>	<u>(131,030)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over Expenditures	<u>\$ (542,533)</u>	<u>\$ (1,386,099)</u>	4,016,006	<u>\$ 5,402,105</u>	410,754
Fund Balance - Beginning			<u>1,725,009</u>		<u>1,314,255</u>
Fund Balance - Ending			<u>\$ 5,741,015</u>		<u>\$ 1,725,009</u>

Pitkin County, Colorado
Redstone Ranch Acres GID Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			Final Budget Variance Positive (Negative)	<u>2017</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
General property tax	\$ 8,682	\$ 8,682	\$ 8,565	\$ (117)	\$ 9,129
Specific ownership tax	462	462	317	(145)	338
Investment earnings	280	280	271	(9)	126
Total Revenues	<u>9,424</u>	<u>9,424</u>	<u>9,153</u>	<u>(271)</u>	<u>9,593</u>
Expenditures:					
Current:					
Public works	6,434	6,434	10,037	(3,603)	5,126
Total Expenditures	<u>6,434</u>	<u>6,434</u>	<u>10,037</u>	<u>(3,603)</u>	<u>5,126</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 2,990</u>	<u>\$ 2,990</u>	(884)	<u>\$ (3,874)</u>	4,467
Fund Balance - Beginning			<u>11,748</u>		<u>7,281</u>
Fund Balance - Ending			<u>\$ 10,864</u>		<u>\$ 11,748</u>

Pitkin County, Colorado
Twining Flats GID Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			<u>Final Budget</u>	<u>2017</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Variance</u>	<u>Actual</u>
	<u>Budget</u>	<u>Budget</u>		<u>Positive</u>	
				<u>(Negative)</u>	
Revenues:					
Taxes:					
General property tax	\$ 8,369	\$ 8,369	\$ 8,381	\$ 12	\$ 8,086
Specific ownership tax	884	884	305	(579)	295
Investment earnings	540	540	554	14	328
Total Revenues	<u>9,793</u>	<u>9,793</u>	<u>9,240</u>	<u>(553)</u>	<u>8,709</u>
Expenditures:					
Current:					
Public works	9,949	9,949	10,824	(875)	6,400
Total Expenditures	<u>9,949</u>	<u>9,949</u>	<u>10,824</u>	<u>(875)</u>	<u>6,400</u>
Excess (Deficiency) of Revenues					
Over Expenditures	<u>\$ (156)</u>	<u>\$ (156)</u>	(1,584)	<u>\$ (1,428)</u>	2,309
Fund Balance - Beginning			<u>29,438</u>		<u>27,129</u>
Fund Balance - Ending			<u>\$ 27,854</u>		<u>\$ 29,438</u>

Pitkin County, Colorado
Sales Tax Debt Service Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			Final Budget Variance Positive (Negative)	<u>2017</u>
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Taxes:					
Sales tax	\$ 598,796	\$ 598,796	\$ 588,699	\$ (10,097)	\$ 598,969
Intergovernmental:					
Federal	56,000	56,000	56,685	685	56,473
Investment earnings	3,510	3,510	3,948	438	10,582
Total Revenues	<u>658,306</u>	<u>658,306</u>	<u>649,332</u>	<u>(8,974)</u>	<u>666,024</u>
Expenditures:					
Debt service:					
Principal	350,000	350,000	350,000	-	340,000
Interest	308,306	308,306	307,796	510	315,525
Total Expenditures	<u>658,306</u>	<u>658,306</u>	<u>657,796</u>	<u>510</u>	<u>655,525</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	(8,464)	<u>\$ (8,464)</u>	10,499
Fund Balance - Beginning			<u>176,363</u>		<u>165,864</u>
Fund Balance - Ending			<u>\$ 167,899</u>		<u>\$ 176,363</u>

Pitkin County, Colorado
Capital Fund
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	2018			Final Budget	2017
	Original	Final	Actual	Variance	Actual
	Budget	Budget		Positive	(as restated)
				(Negative)	
Revenues:					
Taxes:					
Sales tax	\$ 2,008,465	\$ 1,432,426	\$ 1,641,543	\$ 209,117	\$ 3,975,581
Intergovernmental:					
State	-	195,000	107,617	(87,383)	-
Other governmental units	91,404	91,404	65,126	(26,278)	198,466
Impact fees	-	-	-	-	139,870
Charges for services:					
Public works	-	-	-	-	21,138
Investment earnings	57,000	57,000	177,892	120,892	247,695
Miscellaneous:					
Refund of expenditures	-	-	11,904	11,904	1,717
Total Revenues	<u>2,156,869</u>	<u>1,775,830</u>	<u>2,004,082</u>	<u>228,252</u>	<u>4,584,467</u>
Expenditures:					
Current:					
General government	2,479,428	2,526,935	985,166	1,541,769	820,059
Public safety	28,000	30,000	8,613	21,387	82,201
Public works	111,000	135,500	22,650	112,850	1,680,741
Public health and welfare	69,000	99,868	15,406	84,462	335,890
Debt service:					
Principal	1,248,581	1,248,581	455,000	793,581	475,000
Interest	-	-	793,302	(793,302)	767,407
Capital outlay:					
General government	6,629,500	11,169,634	10,858,477	311,157	11,804,797
Public safety	187,500	187,500	173,598	13,902	313,932
Public works	1,955,000	1,955,000	2,184,362	(229,362)	686,585
Public health and welfare	-	-	40,000	(40,000)	36,132
Total Expenditures	<u>12,708,009</u>	<u>17,353,018</u>	<u>15,536,574</u>	<u>1,816,444</u>	<u>17,002,744</u>
Deficiency of Revenues					
Over Expenditures	<u>(10,551,140)</u>	<u>(15,577,188)</u>	<u>(13,532,492)</u>	<u>2,044,696</u>	<u>(12,418,277)</u>
Other Financing Sources:					
Proceeds from sale of assets	34,125	34,125	70,726	36,601	118,936
Transfers in	650,000	650,000	650,000	-	64,230
Total Other Financing Sources	<u>684,125</u>	<u>684,125</u>	<u>720,726</u>	<u>36,601</u>	<u>183,166</u>
Deficiency of Revenues and Other Financing Sources Over Expenditures	<u>\$ (9,867,015)</u>	<u>\$ (14,893,063)</u>	<u>(12,811,766)</u>	<u>\$ 2,081,297</u>	<u>(12,235,111)</u>
Fund Balance - Beginning			<u>16,049,322</u>		<u>28,284,433</u>
Fund Balance - Ending			<u>\$ 3,237,556</u>		<u>\$ 16,049,322</u>

PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise funds are used to account for any activity for which a fee is charged to external users for goods or services.

Major Enterprise Funds:

Airport Fund - accounts for all of the revenues and expenses of the Aspen/Pitkin County Airport. Sources of revenue include fees, grants, rents, and miscellaneous revenues.

Solid Waste Center Fund - accounts for all the expenses of Pitkin County's solid waste management operations. Sources of revenue include fees, grants, and miscellaneous revenues from recycled goods.

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Pitkin County, Colorado
Airport 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, 2018
(With Comparative Actual Amounts for 2017)

	2018			Final Budget Variance Positive (Negative)	2017
	Original Budget	Final Budget	Actual		Actual
Revenues:					
Intergovernmental	\$ 2,971,336	\$ 3,328,469	\$ 2,436,710	\$ (891,759)	\$ 2,826,441
Charges for services	7,129,000	7,129,000	7,581,992	452,992	6,233,668
Miscellaneous:					
Rents and franchises	3,518,787	3,518,787	3,071,701	(447,086)	2,991,631
Refund of expenses	76,000	76,000	30,778	(45,222)	36,606
Other revenues	1,239	1,239	1,000	(239)	1,476
Other resources:					
Investment earnings	189,060	189,060	283,716	94,656	187,049
Gain (loss) on disposition of assets	19,500	19,500	702	(18,798)	-
Total Revenues	<u>13,904,922</u>	<u>14,262,055</u>	<u>13,406,599</u>	<u>(855,456)</u>	<u>12,276,871</u>
Expenses:					
Operating:					
Personnel services	4,344,059	4,344,059	3,954,292	389,767	3,594,404
Purchased services	6,110,027	9,466,127	7,310,037	2,156,090	4,943,663
Materials and supplies	303,281	347,944	274,580	73,364	431,530
Capital expenses:					
Property, plant, and equipment	1,754,300	5,797,656	2,362,486	3,435,170	4,170,754
Total Expenses	<u>12,511,667</u>	<u>19,955,786</u>	<u>13,901,395</u>	<u>6,054,391</u>	<u>13,140,351</u>
Change in Net Position - Budget Basis	<u>\$ 1,393,255</u>	<u>\$ (5,693,731)</u>	(494,796)	<u>\$ 5,198,935</u>	(863,480)
Reconciliation to GAAP Basis:					
Capitalized expenses			2,362,486		4,170,754
Change in compensated absences			(15,677)		(43,586)
Depreciation			<u>(5,036,860)</u>		<u>(4,870,593)</u>
Change in Net Position - GAAP Basis			(3,184,847)		(1,606,905)
Net Position - Beginning			<u>90,382,399</u>		<u>91,989,304</u>
Net Position - Ending			<u>\$ 87,197,552</u>		<u>\$ 90,382,399</u>

Pitkin County, Colorado
Solid Waste Center 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, 2018
(With Comparative Actual Amounts for 2017)

	2018			2017	
	Original Budget	Final Budget	Actual	Final Budget Variance Positive (Negative)	Actual
Revenues:					
Intergovernmental	\$ 175,000	\$ 199,495	\$ 24,495	\$ (175,000)	\$ -
Charges for services	6,646,000	6,646,000	6,532,987	(113,013)	8,030,583
Miscellaneous:					
Refund of expenses	20,000	20,000	13,412	(6,588)	34,719
Other revenues	25,000	25,000	34,739	9,739	37,845
Other resources:					
Investment earnings	108,550	108,550	158,022	49,472	76,547
Gain (loss) on disposition of assets	127,500	127,500	(163,702)	(291,202)	32,674
Total Revenues	<u>7,102,050</u>	<u>7,126,545</u>	<u>6,599,953</u>	<u>(526,592)</u>	<u>8,212,368</u>
Expenses:					
Operating:					
Personnel services	1,406,001	1,406,001	1,346,012	59,989	1,258,982
Purchased services	2,903,476	2,963,111	2,677,024	286,087	2,623,202
Materials and supplies	125,300	131,300	127,370	3,930	138,409
Bad debt expense	-	-	478	(478)	-
Capital expenses:					
Property, plant, and equipment	6,970,000	6,997,037	1,891,944	5,105,093	753,719
Total Expenses	<u>11,404,777</u>	<u>11,497,449</u>	<u>6,042,828</u>	<u>5,454,621</u>	<u>4,774,312</u>
Change in Net Position - Budget Basis	<u>\$ (4,302,727)</u>	<u>\$ (4,370,904)</u>	557,125	<u>\$ 4,928,029</u>	3,438,056
Reconciliation to GAAP Basis:					
Change in closure/post-closure costs			448,475		(144,356)
Capitalized expenses			1,891,944		753,719
Change in compensated absences			(23,801)		(13,845)
Depreciation			(493,568)		(482,644)
Change in Net Position - GAAP Basis			2,380,175		3,550,930
Net Position - Beginning			<u>12,273,764</u>		<u>8,722,834</u>
Net Position - Ending			<u>\$ 14,653,939</u>		<u>\$ 12,273,764</u>

FIDUCIARY FUNDS

AGENCY FUNDS

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

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

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

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

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

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Pitkin County, Colorado
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2018

	<u>Balance, January 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance, December 31, 2018</u>
County Clearing Fund				
Assets				
Cash and investments	\$ 12,069,761	\$ 234,644,487	\$ 245,469,843	\$ 1,244,405
Miscellaneous receivable	67,662	128,005	105,165	90,502
Total Assets	<u>\$ 12,137,423</u>	<u>\$ 234,772,492</u>	<u>\$ 245,575,008</u>	<u>\$ 1,334,907</u>
Liabilities				
Accounts payable	\$ 1,024,558	\$ 99,553,130	\$ 99,705,670	\$ 872,018
Due to other governments	1,249	4,255,625	4,255,625	1,249
Funds held for others	11,111,616	100,455,418	111,105,394	461,640
Total Liabilities	<u>\$ 12,137,423</u>	<u>\$ 204,264,173</u>	<u>\$ 215,066,689</u>	<u>\$ 1,334,907</u>
Taxing Districts				
Assets				
Cash and investments	<u>\$ 67,746</u>	<u>\$ 96,472,466</u>	<u>\$ 96,176,064</u>	<u>\$ 364,148</u>
Liabilities				
Due to other governments	<u>\$ 67,746</u>	<u>\$ 96,472,466</u>	<u>\$ 96,176,064</u>	<u>\$ 364,148</u>
Other Agencies				
Assets				
Cash and investments	<u>\$ 810,049</u>	<u>\$ 731,602</u>	<u>\$ 750,691</u>	<u>\$ 790,960</u>
Liabilities				
Funds held for others	<u>\$ 810,049</u>	<u>\$ 731,602</u>	<u>\$ 750,691</u>	<u>\$ 790,960</u>
Other Clearing Funds				
Assets				
Cash and investments	<u>\$ 325,689</u>	<u>\$ 5,557</u>	<u>\$ 221</u>	<u>\$ 331,025</u>
Liabilities				
Due to other governments	<u>\$ 325,689</u>	<u>\$ 5,557</u>	<u>\$ 221</u>	<u>\$ 331,025</u>
Totals				
Assets				
Cash and investments	\$ 13,273,245	\$ 331,854,112	\$ 342,396,819	\$ 2,730,538
Miscellaneous receivable	67,662	128,005	105,165	90,502
Total Assets	<u>\$ 13,340,907</u>	<u>\$ 331,982,117</u>	<u>\$ 342,501,984</u>	<u>\$ 2,821,040</u>
Liabilities				
Accounts payable	\$ 1,024,558	\$ 99,553,130	\$ 99,705,670	\$ 872,018
Due to other governments	394,684	100,733,648	100,431,910	696,422
Funds held for others	11,921,665	101,187,020	111,856,085	1,252,600
Total Liabilities	<u>\$ 13,340,907</u>	<u>\$ 301,473,798</u>	<u>\$ 311,993,665</u>	<u>\$ 2,821,040</u>

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Discretely Presented Component Units

The *Pitkin County Library District* (the “Library District”) accounts for the operation and maintenance of the Pitkin County Library and the application of any gifts and donations received for the benefit of the library. A portion of the property tax levy is dedicated to the Library District.

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Pitkin County, Colorado
Pitkin County Library District
Schedule of Revenues, Expenditures, and Changes in Fund Balance
Budget (GAAP Basis) and Actual
For the Year Ended December 31, 2018
(With Comparative Actual Amounts for 2017)

	<u>2018</u>			<u>Final Budget</u>	<u>2017</u>
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>	<u>Actual</u>
Revenues:					
Taxes:					
General property tax	\$ 4,079,402	\$ 4,079,402	\$ 4,079,256	\$ (146)	\$ 3,885,570
Specific ownership tax	124,444	124,444	148,878	24,434	142,604
Intergovernmental:					
State	-	-	-	-	5,291
Fines and forfeitures:					
Other fines	29,000	29,000	22,157	(6,843)	23,355
Investment earnings	9,800	9,800	19,083	9,283	35,124
Miscellaneous:					
Refund of expenditures	-	-	3,626	3,626	62,618
Contributions	121,500	121,500	91,963	(29,537)	151,348
Other	5,100	5,100	2,375	(2,725)	2,528
Total Revenues	<u>4,369,246</u>	<u>4,369,246</u>	<u>4,367,338</u>	<u>(1,908)</u>	<u>4,308,438</u>
Expenditures:					
Current:					
Culture and recreation	3,719,669	4,228,066	3,770,719	457,347	3,386,066
Capital outlay:					
Culture and recreation	297,797	303,797	147,848	155,949	416,540
Total Expenditures	<u>4,017,466</u>	<u>4,531,863</u>	<u>3,918,567</u>	<u>613,296</u>	<u>3,802,606</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>351,780</u>	<u>(162,617)</u>	448,771	<u>611,388</u>	505,832
Fund Balance - Beginning			<u>2,025,080</u>		<u>1,519,248</u>
Fund Balance - Ending			<u>\$ 2,473,851</u>		<u>\$ 2,025,080</u>

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

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Pitkin County, Colorado
Schedule of Passenger Facility Charges (PFC) Collected and Expended
For the Year Ended December 31, 2018

	Amount for Current Year	Unliquidated Balance
Unliquidated PFC revenues - beginning		\$ -
Revenues:		
Revenues collected from air carriers	\$ 1,024,222	
Total PFC revenues	\$ 1,024,222	1,024,222
Expenditures:		
Approved projects	17,238	
Total PFC expenditures	\$ 17,238	17,238
Unliquidated PFC revenues - ending		\$ 1,006,984

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LOCAL HIGHWAY FINANCE REPORT

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LOCAL HIGHWAY FINANCE REPORT		City or County: Pitkin County			
		YEAR ENDING : December 31, 2018			
This Information From The Records Of Pitkin County:		Prepared By: Phone:	Connie Baker (970) 920-5231		
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)	1,366,524		
a. Motor Fuel (from Item I.A.5.)		2. Maintenance:	1,066,808		
b. Motor Vehicle (from Item I.B.5.)		3. Road and street services:			
c. Total (a.+b.)		a. Traffic control operations	110,439		
2. General fund appropriations	776,823	b. Snow and ice removal	569,214		
3. Other local imposts (from page 2)	4,349,424	c. Other	654		
4. Miscellaneous local receipts (from page 2)	198,092	d. Total (a. through c.)	680,307		
5. Transfers from toll facilities		4. General administration & miscellaneous	600,177		
6. Proceeds of sale of bonds and notes:		5. Highway law enforcement and safety	776,169		
a. Bonds - Original Issues		6. Total (1 through 5)	4,489,985		
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)	5,324,339	b. Redemption	-		
B. Private Contributions		c. Total (a. + b.)	-		
C. Receipts from State government (from page 2)	1,430,981	2. Notes:			
D. Receipts from Federal Government (from page 2)	-	a. Interest			
E. Total receipts (A.7 + B + C + D)	6,755,320	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)	4,489,985		
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
	53,840	6,755,320	4,489,985	2,319,175	-
Notes and Comments:					
Note 1 General Fund Appropriations:					
Sheriff expenditures for traffic					
		776,823			
Amount available from Non-Highway					
		-			
Total					
		776,823			

LOCAL HIGHWAY FINANCE REPORT

STATE:
Colorado
YEAR ENDING (mm/yy):
December 31, 2018

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	545,626	a. Interest on investments	18,568
b. Other local imposts:		b. Traffic Fines & Penalties	
1. Sales Taxes	3,706,377	c. Parking Garage Fees	
2. Infrastructure & Impact Fees	77,217	d. Parking Meter Fees	
3. Liens		e. Sale of Surplus Property	102,489
4. Licenses		f. Charges for Services	
5. Specific Ownership &/or Other	20,204	g. Other Misc. Receipts	77,035
6. Total (1. through 5.)	3,803,798	h. Other Road & Bridge Tax	
c. Total (a. + b.)	4,349,424	i. Total (a. through h.)	198,092
	(Carry forward to page 1)		(Carry forward to page 1)

ITEM	AMOUNT	ITEM	AMOUNT
C. Receipts from State Government		D. Receipts from Federal Government	
1. Highway-user taxes	1,390,281	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	40,700	d. Federal Transit Admin	
d. Other (Specify) - DOLA Grant		e. U.S. Corps of Engineers	
e. Other (Specify) State Highway Contract		f. Other Federal	
f. Total (a. through e.)	40,700	g. Total (a. through f.)	-
4. Total (1. + 2. + 3.f)	1,430,981	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		287,796	287,796
c. Construction:			
(1). New Facilities		-	-
(2). Capacity Improvements		43,463	43,463
(3). System Preservation		1,035,265	1,035,265
(4). System Enhancement & Operation		-	-
(5). Total Construction (1) + (2) + (3) + (4)		1,078,728	1,078,728
d. Total Capital Outlay (Lines 1.a. + 1.b. + 1.c.5)		1,366,524	1,366,524
			(Carry forward to page 1)

Notes and Comments:

Note 2 Other Receipts	
Access Permits	23,415
Reimbursement for Snow Plowing	28,545
Reimbursement for Lake Christine Fire Suppc	23,865
Misc Reimbursement	1,210
Total	<u>77,035</u>



STATISTICAL SECTION

This part of the Pitkin County 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 government's overall financial health.

The information in this Statistical Section of the comprehensive annual financial report is intended, when possible, to provide information about Pitkin County's economic condition in the following areas.

Financial Trends - information used to understand and assess how a government's financial position has changed over time.

Revenue Capacity - information used to understand and assess the government's ability to generate own-source revenue.

Debt Capacity - information used to understand and assess the government's debt burden and its ability to issue additional debt.

Demographic and Economic Data - information used to understand the government's socioeconomic environment and facilitate comparisons of financial statement information over time or among governments.

Operating Information - information used to understand the government's operations and resources, therefore providing a context for understanding and assessing its economic condition.

Most of the data comes directly from current and prior Pitkin County financial reports. Data which comes from other sources is noted on the individual tables.

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Pitkin County, Colorado
Net Position by Component
Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 134,717,335	\$ 155,994,598	\$ 155,315,076	\$ 156,145,670	\$ 163,064,743	\$ 163,996,394	\$ 169,476,255	\$ 183,411,917	\$ 190,070,757	\$ 203,921,821
Restricted	26,129,687	14,949,239	27,816,355	33,850,326	37,792,771	40,397,117	36,896,408	39,729,852	25,449,396	18,398,082
Unrestricted	9,475,854	9,312,588	14,930,468	14,657,523	16,284,068	24,186,409	26,404,400	20,139,166	41,202,122	44,682,610
Total governmental activities net position	170,322,876	180,256,425	198,061,899	204,653,519	217,141,582	228,579,920	232,777,063	243,280,935	256,722,275	267,002,513
Business-type activities										
Net investment in capital assets	72,977,503	71,535,132	81,664,910	86,982,831	83,918,960	89,953,231	82,401,454	77,964,189	77,484,457	75,807,783
Restricted	10,438,724	11,599,856	9,928,066	9,683,901	12,747,869	13,397,894	16,766,926	19,834,774	-	-
Unrestricted	1,585,119	1,457,411	1,033,193	1,118,178	2,200,305	3,117,455	885,005	2,913,175	25,171,706	25,036,724
Total business-type activities net position	85,001,346	84,592,399	92,626,169	97,784,910	98,867,134	106,468,580	100,053,385	100,712,138	102,656,163	100,844,507
Primary government										
Net investment in capital assets	207,694,838	227,529,730	236,979,986	243,128,501	246,983,703	253,949,625	251,877,709	261,376,106	267,555,214	279,729,604
Restricted	36,568,411	26,549,095	37,744,421	43,534,227	50,540,640	53,795,011	53,663,334	59,564,626	25,449,396	18,398,082
Unrestricted	11,060,973	10,769,999	15,963,661	15,775,701	18,484,373	27,303,864	27,289,405	23,052,341	66,373,828	69,719,334
Total primary government net position	\$ 255,324,222	\$ 264,848,824	\$ 290,688,068	\$ 302,438,429	\$ 316,008,716	\$ 335,048,500	\$ 332,830,448	\$ 343,993,073	\$ 359,378,438	\$ 367,847,020

Source:
Pitkin County Finance Department (CAFR)
Statement of Net Position includes GASB 34 Adjustments

Pitkin County, Colorado
Changes in Net Position
Last Ten Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Expenses:										
Governmental Activities:										
General government	\$ 9,112,735	\$ 9,023,399	\$ 8,051,591	\$ 8,236,495	\$ 8,939,590	\$ 9,364,000	\$ 10,220,265	\$ 12,080,968	\$ 10,976,662	\$ 10,378,931
Public safety	8,585,020	7,677,119	8,315,629	8,836,841	8,239,758	8,956,235	9,522,194	13,220,804	13,004,918	14,071,463
Public works	16,357,478	18,229,409	15,885,730	19,954,183	17,092,418	20,124,034	28,232,945	23,074,777	22,600,176	25,893,042
Public health and welfare	4,159,235	4,209,970	4,437,922	4,892,567	5,043,179	5,445,584	5,697,328	6,362,483	8,103,257	11,155,376
Culture and recreation	7,889,445	6,367,076	4,418,252	4,092,374	4,590,325	4,774,106	4,931,196	5,731,005	5,619,853	6,213,567
Interest on long-term debt	1,282,901	1,229,392	1,257,597	1,201,640	1,170,202	1,090,061	1,049,588	1,050,852	1,441,364	1,453,594
Total Governmental Activities	47,386,814	46,736,365	42,366,721	47,214,100	45,075,472	49,754,020	59,653,516	61,520,889	61,746,230	69,165,973
Business-type Activities:										
Airport	10,899,761	11,654,845	11,445,626	11,377,027	12,234,242	11,995,659	12,023,971	13,576,191	13,883,776	16,591,446
Solid waste center	5,577,238	4,231,364	4,340,284	3,777,305	3,813,001	4,312,474	5,522,585	4,391,808	4,661,438	4,383,480
Total Business-type Activities	16,476,999	15,886,209	15,785,910	15,154,332	16,047,243	16,308,133	17,546,556	17,967,999	18,545,214	20,974,926
Total Primary Government Expenses	63,863,813	62,622,574	58,152,631	62,368,432	61,122,715	66,062,153	77,200,072	79,488,888	80,291,444	90,140,899
Program Revenues:										
Governmental Activities:										
Charges for services:										
General government	4,114,865	4,782,871	4,672,729	4,279,086	4,563,948	4,744,961	4,985,341	5,267,907	4,885,243	4,962,337
Public safety	2,297,844	1,908,214	1,734,398	1,870,734	2,238,329	2,957,068	3,087,144	2,323,947	6,483,710	6,242,889
Public works	631,293	1,317,654	1,197,773	1,433,260	1,477,035	1,272,629	1,239,884	762,806	321,917	3,032,185
Public health and welfare	377,280	462,440	382,618	422,007	347,254	417,826	406,446	420,104	1,278,585	1,390,794
Culture and recreation	242,531	381,654	120,316	68,598	431,081	128,740	405,553	141,377	925,075	162,779
Operating grants and contributions	3,791,225	3,294,485	4,230,137	4,581,634	4,673,224	5,392,595	6,343,383	7,160,619	6,492,789	7,341,015
Capital grants and contributions	12,402,832	4,306,982	4,098,393	465,500	1,599,777	1,979,674	559,539	2,482,572	1,637,847	662,603
Total Governmental Activities Program Revenues	23,857,870	16,454,300	16,436,364	13,120,819	15,330,648	16,893,493	17,027,290	18,559,332	22,025,166	23,794,602
Business-type Activities:										
Charges for services:										
Airport	6,777,057	7,176,769	7,160,723	7,173,275	7,312,800	7,809,778	8,747,826	8,681,430	9,263,381	10,685,471
Solid waste center	3,424,031	3,972,556	4,212,913	4,743,062	4,738,919	5,298,781	6,236,440	6,141,320	8,103,147	6,581,138
Operating grants and contributions	366,766	388,868	719,858	645,834	936,702	523,503	653,249	99,213	1,210,106	700,859
Capital grants and contributions	6,078,666	3,468,958	11,800,224	7,840,385	4,073,220	3,003,781	2,376,071	3,593,719	1,616,335	1,760,346
Total Business-Type Activities Program Revenues	16,646,520	15,007,151	23,893,718	20,402,556	17,061,641	16,635,843	18,013,586	18,515,682	20,192,969	19,727,814
Total Primary Government Program Revenues	40,504,390	31,461,451	40,330,082	33,523,375	32,392,289	33,529,336	35,040,876	37,075,014	42,218,135	43,522,416
Net (Expense)/Revenue										
Governmental activities	(23,528,944)	(30,282,065)	(25,930,357)	(34,093,281)	(29,744,824)	(32,860,527)	(42,626,226)	(42,961,557)	(39,721,064)	(45,371,371)
Business-type activities	169,521	(879,058)	8,107,808	5,248,224	1,014,398	327,710	467,030	547,683	1,647,755	(1,247,112)
Total Primary Government Net Expense	\$ (23,359,423)	\$ (31,161,123)	\$ (17,822,549)	\$ (28,845,057)	\$ (28,730,426)	\$ (32,532,817)	\$ (42,159,196)	\$ (42,413,874)	\$ (38,073,309)	\$ (46,618,483)

(continued)

Pitkin County, Colorado
Changes in Net Position (continued)
Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property taxes	\$ 18,594,523	\$ 20,546,313	\$ 20,794,134	\$ 19,559,084	\$ 20,185,952	\$ 19,872,991	\$ 20,324,359	\$ 22,339,071	\$ 22,758,464	\$ 23,987,614
Specific ownership taxes	478,644	457,332	461,524	149,675	-	-	-	-	835,075	875,500
Sales and use taxes	17,120,380	18,013,414	19,245,716	19,834,448	21,194,528	23,317,658	25,384,692	26,390,752	27,791,836	29,134,807
Other taxes and miscellaneous	660,496	602,280	570,500	554,564	658,731	678,158	734,805	757,824	12,981	13,742
Unrestricted investment earnings	863,868	607,991	444,870	314,576	287,808	378,102	435,517	620,076	1,129,303	1,477,107
Grants and contributions not restricted to specific programs	-	-	-	-	-	-	-	-	-	-
Sale of capital assets	-	-	790,367	52,553	-	51,957	(56,005)	147,722	164,804	162,839
Transfers	270,000	270,000	270,000	220,000	-	-	-	-	-	-
Total General Revenues and Transfers	37,987,911	40,497,330	42,577,111	40,684,900	42,327,019	44,298,866	46,823,368	50,255,445	52,692,463	55,651,609
Business-type Activities:										
Unrestricted investment earnings	288,825	176,697	129,692	61,713	59,093	86,630	102,682	189,360	263,596	441,738
Sale of capital assets	-	-	66,270	68,804	8,733	187,105	15,094	11,577	32,674	702
Transfers	(270,000)	(270,000)	(270,000)	(220,000)	-	-	-	-	-	-
Total Business-type Activities	18,825	(93,303)	(74,038)	(89,483)	67,826	273,735	117,776	200,937	296,270	442,440
Total Primary Government Revenues	38,006,736	40,404,027	42,503,073	40,595,417	42,394,845	44,572,601	46,941,144	50,456,382	52,988,733	56,094,049
Change in Net Position										
Governmental activities	14,458,967	10,215,265	16,646,754	6,591,619	12,582,195	11,438,339	4,197,142	7,293,888	12,971,399	10,280,238
Business-type activities	188,346	(972,361)	8,033,770	5,158,741	1,082,224	601,445	584,806	748,620	1,944,025	(804,672)
Total Change in Net Position	\$ 14,647,313	\$ 9,242,904	\$ 24,680,524	\$ 11,750,360	\$ 13,664,419	\$ 12,039,784	\$ 4,781,948	\$ 8,042,508	\$ 14,915,424	\$ 9,475,566

Source:
Pitkin County Finance Department (CAFR)
Statement of Activities includes GASB 34 Adjustments

Pitkin County, Colorado
Fund Balances, Governmental Funds¹
Last Ten Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017¹</u>	<u>2018²</u>
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 958,555	\$ 1,174,309
Spendable:										
Restricted	1,129,293	1,098,324	1,102,767	1,125,445	1,386,756	1,446,847	1,466,886	1,514,250	1,310,613	840,544
Committed	5,132,655	5,213,757	5,142,747	718,621	723,373	729,478	985,975	312,769	721,540	757,532
Assigned	18,546,513	19,390,023	16,029,691	16,147,716	16,167,000	21,005,765	22,600,050	39,795,794	8,175,723	7,310,712
Unassigned	-	-	8,926,723	8,572,744	8,993,230	4,908,872	6,153,627	4,308,003	8,124,120	9,422,838
Total General Fund	<u>\$ 24,808,461</u>	<u>\$ 25,702,104</u>	<u>\$ 31,201,928</u>	<u>\$ 26,564,526</u>	<u>\$ 27,270,359</u>	<u>\$ 28,090,962</u>	<u>\$ 31,206,538</u>	<u>\$ 45,930,816</u>	<u>\$ 19,290,552</u>	<u>\$ 19,505,935</u>
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 40,400	\$ 27,995
Spendable:										
Restricted	13,556,224	7,780,017	14,236,637	21,473,961	24,847,113	27,162,730	22,506,748	26,149,531	24,138,783	17,557,538
Committed	4,960,483	533,934	5,851,919	10,664,743	10,953,370	11,316,762	11,143,662	11,356,827	35,862,159	33,040,311
Assigned	407,203	429,118	1,540,821	-	-	676,088	968,255	396,476	-	-
Total All Other Governmental Funds	<u>\$ 18,923,910</u>	<u>\$ 8,743,069</u>	<u>\$ 21,629,377</u>	<u>\$ 32,138,704</u>	<u>\$ 35,800,483</u>	<u>\$ 39,155,580</u>	<u>\$ 34,618,665</u>	<u>\$ 37,902,834</u>	<u>\$ 60,041,342</u>	<u>\$ 50,625,844</u>
Total Governmental Funds	<u>\$ 43,732,371</u>	<u>\$ 34,445,173</u>	<u>\$ 52,831,305</u>	<u>\$ 58,703,230</u>	<u>\$ 63,070,842</u>	<u>\$ 67,246,542</u>	<u>\$ 65,825,203</u>	<u>\$ 83,833,650</u>	<u>\$ 79,331,894</u>	<u>\$ 70,131,779</u>

Source:
Pitkin County Finance Department (CAFR)
Statement of Fund Balances does not include GASB 34 Adjustments

¹ The County restated the beginning balances for the general fund and capital fund in 2017 in order to present the funds separately. Prior to 2017, the general fund balance included the capital fund.

² The County transferred state superfund tip fees restricted balance from the general fund to the public health fund in 2018 and restated the beginning balances accordingly.

Pitkin County, Colorado
Changes in Fund Balances, Governmental Funds
Last Ten Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenues:										
Taxes	\$ 36,854,043	\$ 39,619,339	\$ 41,071,874	\$ 40,097,771	\$ 42,039,211	\$ 43,868,807	\$ 46,443,853	\$ 49,487,629	\$ 51,398,356	\$ 54,011,662
Licenses and permits	712,890	708,836	722,872	767,160	1,224,559	1,631,982	1,802,194	1,102,871	4,794,505	4,846,702
Intergovernmental	6,518,272	6,190,993	8,428,852	5,200,014	6,427,057	7,400,042	7,049,975	8,974,041	9,521,480	8,735,461
Charges for services	6,187,281	5,471,709	5,891,914	5,493,750	5,803,054	6,070,954	6,305,590	6,634,232	4,094,351	7,172,084
Fines and forfeitures	15,920	18,843	33,589	39,319	49,661	30,921	51,327	43,416	55,570	73,399
Impact fees	-	639,381	579,405	1,110,411	1,176,581	881,277	1,325,084	599,474	744,501	776,285
Investment earnings	863,868	607,991	444,870	314,576	287,808	378,102	435,521	620,076	1,129,303	1,477,107
Miscellaneous	<u>1,016,578</u>	<u>1,224,537</u>	<u>779,732</u>	<u>510,165</u>	<u>649,736</u>	<u>878,316</u>	<u>493,119</u>	<u>741,679</u>	<u>1,865,357</u>	<u>2,175,657</u>
Total Revenues	<u>52,168,852</u>	<u>54,481,629</u>	<u>57,953,108</u>	<u>53,533,166</u>	<u>57,657,667</u>	<u>61,140,401</u>	<u>63,906,663</u>	<u>68,203,418</u>	<u>73,603,423</u>	<u>79,268,357</u>
Expenditures:										
General government	8,477,240	8,615,171	7,670,106	8,783,477	8,589,688	9,371,896	10,107,242	17,008,730	22,262,862	20,740,246
Public safety	8,594,671	8,602,055	8,529,207	8,662,354	8,183,663	8,847,916	9,482,589	14,207,880	14,237,064	16,761,291
Public works	16,213,038	18,319,470	14,600,932	18,782,222	28,841,693	30,898,004	25,858,927	33,616,857	22,440,256	28,446,174
Public health and welfare	4,081,533	3,988,632	4,202,136	4,743,347	4,909,132	5,347,087	5,627,421	6,333,643	8,568,449	18,856,245
Culture and recreation	14,307,057	25,834,171	4,667,086	4,990,167	1,014,272	663,617	12,602,134	293,168	8,630,438	7,252,549
Debt service:										
Principal retirement	1,485,691	1,871,032	1,166,394	916,778	942,184	1,002,615	1,028,072	1,053,557	1,735,000	1,755,000
Interest	<u>1,250,055</u>	<u>1,198,232</u>	<u>1,187,916</u>	<u>1,129,690</u>	<u>1,089,581</u>	<u>1,004,167</u>	<u>980,746</u>	<u>955,062</u>	<u>1,379,933</u>	<u>1,364,453</u>
Total Expenditures	<u>54,409,285</u>	<u>68,428,763</u>	<u>42,023,777</u>	<u>48,008,035</u>	<u>53,570,213</u>	<u>57,135,302</u>	<u>65,687,131</u>	<u>73,468,897</u>	<u>79,254,002</u>	<u>95,175,958</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(2,240,433)</u>	<u>(13,947,134)</u>	<u>15,929,331</u>	<u>5,525,131</u>	<u>4,087,454</u>	<u>4,005,099</u>	<u>(1,780,468)</u>	<u>(5,265,479)</u>	<u>(5,650,579)</u>	<u>(15,907,601)</u>
Other Financing Sources (Uses):										
Proceeds from sale of fixed assets	53,530	2,229,985	1,028,081	126,794	162,881	170,600	359,129	218,455	202,611	207,486
Premium on issuance	-	2,616	-	-	(2,816,056)	-	-	742,188	-	-
Debt issued	-	8,360,000	-	-	2,845,000	-	-	35,160,000	-	6,500,000
Payments to refunded debt escrow	-	(5,818,920)	-	-	-	-	-	(12,305,000)	-	-
Bond Issuance costs	-	102,030	-	-	35,300	-	-	65,450	-	-
Transfers in	1,080,533	1,432,719	774,066	6,622,849	2,693,752	728,197	666,088	1,582,031	1,397,335	2,361,179
Transfers (out)	<u>(810,533)</u>	<u>(1,162,719)</u>	<u>(504,066)</u>	<u>(6,402,849)</u>	<u>(2,693,752)</u>	<u>(728,197)</u>	<u>(666,088)</u>	<u>(1,582,031)</u>	<u>(1,397,335)</u>	<u>(2,361,179)</u>
Total Other Financing Sources (Uses)	<u>323,530</u>	<u>5,145,711</u>	<u>1,298,081</u>	<u>346,794</u>	<u>227,125</u>	<u>170,600</u>	<u>359,129</u>	<u>23,881,093</u>	<u>202,611</u>	<u>6,707,486</u>
Net change in fund balances	<u>\$ (1,916,903)</u>	<u>\$ (8,801,423)</u>	<u>\$ 17,227,412</u>	<u>\$ 5,871,925</u>	<u>\$ 4,314,579</u>	<u>\$ 4,175,699</u>	<u>\$ (1,421,339)</u>	<u>\$ 18,615,614</u>	<u>\$ (5,447,968)</u>	<u>\$ (9,200,115)</u>
Ratio Calculation:										
Debt service expenditures	\$ 2,735,746	\$ 3,069,264	\$ 2,354,310	\$ 2,046,468	\$ 2,031,765	\$ 2,006,782	\$ 2,008,818	\$ 2,008,619	\$ 3,114,933	\$ 3,119,453
Total expenditures	54,409,285	68,428,763	42,023,777	48,008,035	53,570,213	57,135,302	65,687,131	73,468,897	79,254,002	95,175,958
Capital outlay ¹	<u>14,160,811</u>	<u>25,710,118</u>	<u>1,921,754</u>	<u>3,933,640</u>	<u>10,947,022</u>	<u>10,348,053</u>	<u>11,282,362</u>	<u>14,555,569</u>	<u>20,560,111</u>	<u>27,572,637</u>
Adjusted non capital expenditures	\$ 40,248,474	\$ 42,718,645	\$ 40,102,023	\$ 44,074,395	\$ 42,623,191	\$ 46,787,249	\$ 54,404,769	\$ 58,913,328	\$ 58,693,891	\$ 67,603,321
Debt Service as a percentage of noncapital expenditures	6.80%	7.18%	5.87%	4.64%	4.77%	4.29%	3.69%	3.41%	5.31%	4.61%

Source:
Pitkin County Finance Department (CAFR)
Revenues, Expenditures, and Changes in Fund Balance does not include GASB 34 Adjustments

¹ Capital Outlay comes from the Pitkin County CAFR Reconciliation of the Statement of Revenues, Expenditures, and Change in Fund Balance of Governmental Funds to Statement of Activities

Pitkin County, Colorado
History of General Fund Revenues, Expenditures, and Changes in Fund Balance
Last Ten Years

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues:										
Taxes	\$ 10,023,482	\$ 10,618,282	\$ 11,288,860	\$ 12,207,193	\$ 12,959,972	\$ 13,446,029	\$ 14,089,341	\$ 14,573,084	\$ 11,307,439	\$ 11,791,229
Licenses and permits	697,635	677,946	715,127	750,075	1,200,764	1,608,444	1,773,016	1,075,280	4,761,127	4,690,831
Intergovernmental	1,484,289	2,016,001	2,755,678	2,064,764	2,188,800	3,032,095	3,524,132	4,671,503	4,623,508	4,119,246
Charges for services	6,043,270	5,455,824	5,833,080	5,415,476	5,574,400	5,990,106	6,172,018	6,591,683	4,072,727	7,172,084
Fines	13,820	15,829	30,139	35,519	46,461	27,860	46,927	40,516	52,070	68,035
Impact fees	13,015	203,923	-	-	170,150	164,859	520,148	91,559	237	-
Investment earnings	439,429	299,919	250,846	162,372	139,953	176,954	226,928	246,704	419,372	469,579
Miscellaneous	396,998	2,191,635	391,206	422,541	494,756	687,420	379,086	389,698	1,545,145	1,530,513
Total Revenues	19,111,938	21,479,359	21,264,936	21,057,940	22,775,256	25,133,767	26,731,596	27,680,027	26,781,625	29,841,517
Expenditures:										
General government	8,477,240	8,615,171	7,513,220	8,783,477	8,589,688	9,371,896	10,107,242	17,008,730	9,638,006	8,896,603
Public safety	7,998,223	8,097,589	8,009,087	8,012,072	7,644,058	8,345,515	9,022,106	13,754,667	12,964,719	12,733,354
Public works	695,833	638,558	292,430	4,758,268	6,251,089	4,828,569	2,806,286	2,904,092	241,898	3,759,544
Public health and welfare	2,148,851	1,782,583	1,756,577	1,899,321	2,124,185	2,247,894	2,327,604	2,467,764	2,852,436	2,514,974
Culture and recreation	301,395	286,512	810,484	39,798	202,852	12,226	33,639	134,452	99,720	143,546
Total Expenditures	19,621,542	19,420,413	18,381,798	23,492,936	24,811,872	24,806,100	24,296,877	36,269,705	25,796,779	28,048,021
Excess (Deficiency) of Revenues										
Over Expenditures	(509,604)	2,058,946	2,883,138	(2,434,996)	(2,036,616)	327,667	2,434,719	(8,589,678)	984,846	1,793,496
Other Financing Sources (Uses):										
Premium on bonds issued	-	-	-	-	-	-	-	742,188	-	-
Proceeds from sale of assets	26,645	55,420	1,018,786	106,794	128,064	161,239	250,769	199,005	3,500	-
Issuance of debt	-	-	-	-	-	-	-	22,790,000	-	-
Transfers in	657,353	665,358	665,066	2,120,198	2,559,752	500,697	528,088	803,031	535,971	547,441
Transfers out	(403,180)	(727,361)	(69,000)	(4,462,651)	(69,000)	(169,000)	(98,000)	(744,000)	(826,364)	(1,653,738)
Total Other Financing Sources (Uses)	280,818	(6,583)	1,614,852	(2,235,659)	2,618,816	492,936	680,857	23,790,224	(286,893)	(1,106,297)
Net Change in Fund Balances	(228,786)	2,052,363	4,497,990	(4,670,655)	582,200	820,603	3,115,576	15,200,546	697,953	687,199
Fund Balances - Beginning	25,037,247	24,808,461	26,860,824	31,358,814	26,688,159	27,270,359	28,090,962	31,206,538	18,592,599 ¹	18,818,736 ¹
Fund Balances - Ending	\$ 24,808,461	\$ 26,860,824	\$ 31,358,814	\$ 26,688,159	\$ 27,270,359	\$ 28,090,962	\$ 31,206,538	\$ 46,407,084	\$ 19,290,552	\$ 19,505,935

Source:
Pitkin County Finance Department (CAFR)
Statement of Revenues, Expenditures, and Changes in Fund Balance does not include GASB 34 Adjustments

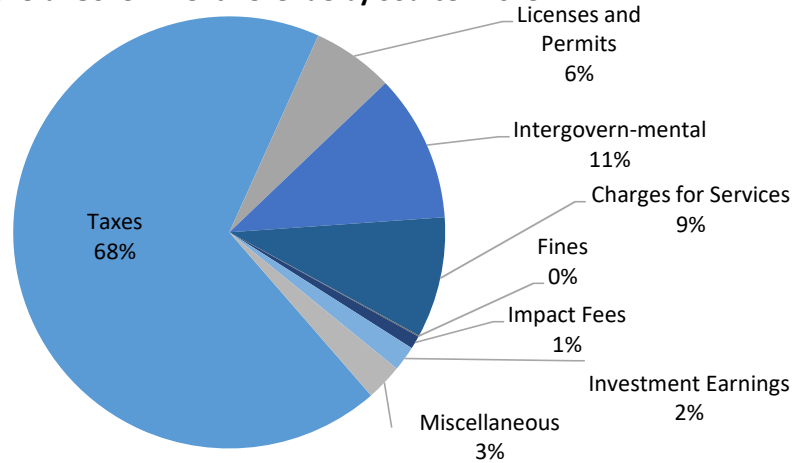
¹ The County's beginning general fund balances for the years ended December 31, 2017 and December 31, 2018, were amended to reflect prior period adjustments. Details on the prior period adjustments can be found in Note II.B. in the Notes to the Financial Statements.

Pitkin County, Colorado
General Government Revenues by Source
Last Ten Years

<u>Year</u>	<u>Taxes</u>	<u>Licenses and Permits</u>	<u>Intergovernmental</u>	<u>Charges for Services</u>	<u>Fines</u>	<u>Impact Fees</u>	<u>Investment Earnings</u>	<u>Miscellaneous</u>	<u>Total</u>
2009	\$ 36,854,043	\$ 712,890	\$ 6,518,272	\$ 6,187,281	\$ 15,920	\$ -	\$ 863,868	\$ 1,016,578	\$ 52,168,852
2010	39,619,339	708,836	6,190,993	5,471,709	18,843	639,381	607,991	1,224,537	54,481,629
2011	41,071,874	722,872	8,428,852	5,891,914	33,589	579,405	444,870	779,732	57,953,108
2012	40,097,771	767,160	5,200,014	5,493,750	39,319	1,110,411	314,576	510,165	53,533,166
2013	42,039,211	1,224,559	6,427,057	5,803,054	49,661	1,176,581	287,808	649,736	57,657,667
2014	43,868,807	1,631,982	7,400,042	6,070,954	30,921	881,277	378,102	878,316	61,140,401
2015	46,443,853	1,802,194	7,049,975	6,305,590	51,327	1,325,084	435,521	493,119	63,906,663
2016	49,487,629	1,102,871	8,974,041	6,634,232	43,416	599,474	620,076	741,679	68,203,418
2017	51,398,356	4,794,505	9,521,480	4,094,351	55,570	744,501	1,129,303	1,865,357	73,603,423
2018	54,011,662	4,846,702	8,735,461	7,172,084	73,399	776,285	1,477,107	2,175,657	79,268,357

Source:
Pitkin County Finance Department (CAFR)
General Government Revenues by Source does not include GASB 34 adjustments

General Government Revenue by Source - 2018



Pitkin County, Colorado
General Governmental Tax Revenues by Source¹
Last Ten Years

	<u>Property Tax²</u>	<u>General Sales & Use Tax³</u>	<u>Specific Ownership Tax</u>	<u>Other Taxes</u>	<u>Total</u>
2009	22,026,592	17,120,380	712,065	50,484	39,909,521
2010	21,003,645	18,013,414	545,970	56,310	39,619,339
2011	21,255,658	19,245,716	524,584	45,916	41,071,874
2012	19,708,759	19,834,448	512,932	41,632	40,097,771
2013	23,612,295	21,194,528	704,661	62,942	45,574,426
2014	23,311,672	23,317,657	778,963	65,634	47,473,926
2015	23,915,174	25,384,691	847,049	38,956	50,185,870
2016	22,339,071	26,390,752	866,347	59,961	49,656,131
2017	22,758,464	27,791,836	835,075	12,981	51,398,356
2018	23,987,614	29,134,807	875,500	13,742	54,011,663

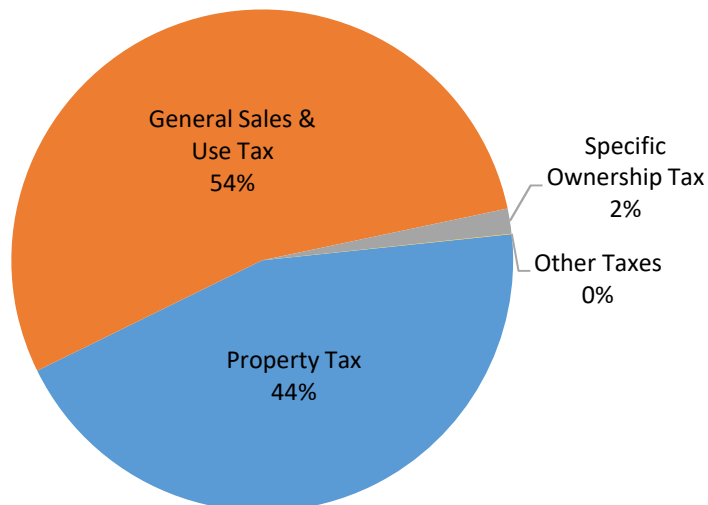
Source:
 Pitkin County Finance Department (CAFR)
 General Government Tax Revenues does not include GASB 34 adjustments

¹ The TABOR (Article X Section 20) amendment to the Colorado State Constitution limits revenue increases and has other specific requirements. Pitkin County voters have approved ballot questions to exempt the County from revenue limitations of the TABOR amendment.

² Full reappraisals of all Pitkin County properties are completed on a bi-annual basis.

³ Sales tax is collected by the vendor and remitted to the State of Colorado. The State distributes Pitkin County's percentage, which is set by statute, to the County on a monthly basis. Use tax is collected by the building departments of Pitkin County, Town of Snowmass Village, and the City of Aspen. The Town and City remit payment to the County on a monthly basis.

2018 Tax Revenues by Source



Pitkin County, Colorado
Assessed Value and Actual Value of Taxable Property
Last Ten Years

Fiscal Year Ended December 31 ¹	Valuation Base Year ²	Residential Property Assessment Rate ³	Residential Property ⁴	Commercial Property	Other Property	Tax-Exempt Property	Assessed Value	Estimated Actual Value ²	Taxable Assessed Value as a Percentage of Estimated Actual Taxable Value	Total Direct Tax Rate ⁵
2009	2008	7.96%	2,533,478,410	670,691,790	463,320,880	94,300,400	3,667,491,080	35,709,237,080	10.27%	5.677
2010	2008	7.96%	2,560,936,370	664,170,930	458,723,040	104,990,300	3,683,830,340	36,028,432,570	10.22%	5.737
2011	2010	7.96%	1,887,749,260	550,476,280	329,891,460	95,167,200	2,768,117,000	26,680,593,580	10.38%	7.044
2012	2010	7.96%	1,917,492,650	540,207,790	303,328,050	95,539,100	2,761,028,490	26,825,808,240	10.29%	7.194
2013	2012	7.96%	1,747,138,620	576,518,300	275,347,300	86,166,700	2,599,004,220	24,699,886,140	10.52%	7.500
2014	2012	7.96%	1,765,139,610	573,865,110	270,823,980	147,450,000	2,609,828,700	24,936,862,630	10.47%	7.564
2015	2014	7.96%	2,017,334,290	657,651,400	268,786,400	154,228,100	2,943,772,090	28,428,866,000	10.35%	7.274
2016	2014	7.96%	2,046,646,780	648,798,170	247,264,960	206,619,000	2,942,709,910	28,745,909,770	10.24%	7.365
2017	2016	7.20%	2,121,423,360	724,527,670	255,499,270	218,644,500	3,101,450,300	32,755,421,140	9.47%	7.335
2018	2016	7.20%	2,155,116,870	728,660,780	228,120,980	220,296,000	3,111,898,630	33,154,472,660	9.39%	7.735

Source:
Pitkin County Assessor's Office, Abstract of Assessments

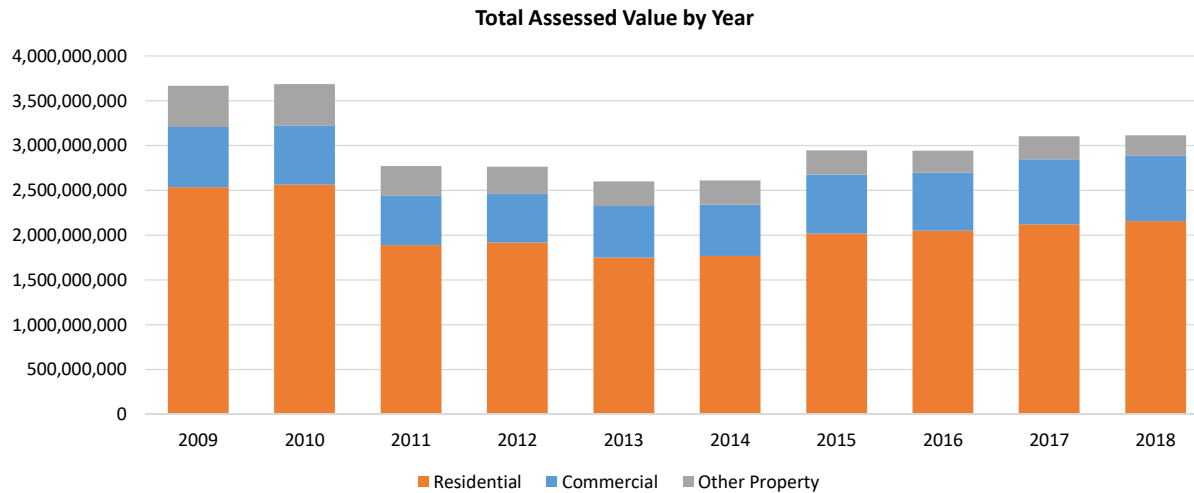
¹ Property taxes levied on the valuation for the year indicated are collected in the following year (i.e. 2018 valuation is the basis for 2019 budget collections).

² Actual value is reappraised bi-annually 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.



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

Tax Year	General Fund	Road and Bridge	Social Services	Healthy Community	Bond Redemption	Open Space	Radio and TV Translator	Total Direct Tax Rate
2009	1.491	0.110	0.048	0.394	0.126	3.333	0.175	5.677
2010	1.501	0.112	0.065	0.402	0.127	3.351	0.179	5.737
2011	2.150	0.158	0.065	0.567	0.055	3.797	0.252	7.044
2012	2.205	0.162	0.065	0.707	-	3.796	0.259	7.194
2013	2.416	0.178	0.065	0.778	-	3.783	0.280	7.500
2014	2.476	0.182	0.065	0.802	-	3.750	0.289	7.564
2015	2.289	0.168	0.065	0.735	-	3.750	0.267	7.274
2016	2.347	0.173	0.065	0.757	-	3.750	0.273	7.365
2017	2.325	0.173	0.065	0.751	-	3.750	0.271	7.335
2018	2.451	0.181	0.065	0.998	-	3.750	0.290	7.735

Overlapping Rates

Tax Year	City of Aspen	Town of Basalt	Town of Snowmass Village	Aspen School District	Roaring Fork School District	Colorado Mountain College	Roaring Fork Transit Authority	Aspen Valley Hospital	Pitkin County Library	Aspen Ambulance District	Fire Protection Districts	Water and Sanitation Districts	Other Special Districts
2009	4.042	3.873	7.485	7.846	30.984	3.997	-	0.969	0.906	0.138	17.246	23.103	362.468
2010	3.854	4.066	7.356	8.254	30.992	3.997	-	1.931	0.932	0.142	18.367	23.875	410.153
2011	5.236	6.139	8.940	9.105	39.589	3.997	-	2.664	1.296	0.198	21.619	31.231	467.487
2012	5.346	6.386	9.019	9.201	38.240	3.997	-	2.920	1.336	0.204	25.628	32.272	474.416
2013	5.654	7.560	9.261	9.333	42.445	3.997	-	2.539	1.439	0.220	24.016	38.082	519.316
2014	5.817	9.881	9.200	9.297	42.149	3.997	-	2.818	1.490	0.400	25.997	39.652	520.215
2015	4.978	9.158	9.236	9.111	42.300	3.997	-	2.819	1.359	0.451	27.523	43.415	522.815
2016	5.227	11.592	9.016	9.092	45.245	3.997	-	2.791	1.411	0.501	28.834	47.791	585.305
2017	5.096	11.588	8.809	8.855	44.038	3.997	-	2.587	1.391	0.501	29.392	53.921	614.036
2018	5.298	11.556	8.494	8.880	44.041	3.997	2.249	2.623	1.457	0.501	33.920	54.402	624.388

Source:
Pitkin County Assessor's Office, Abstract of Assessments

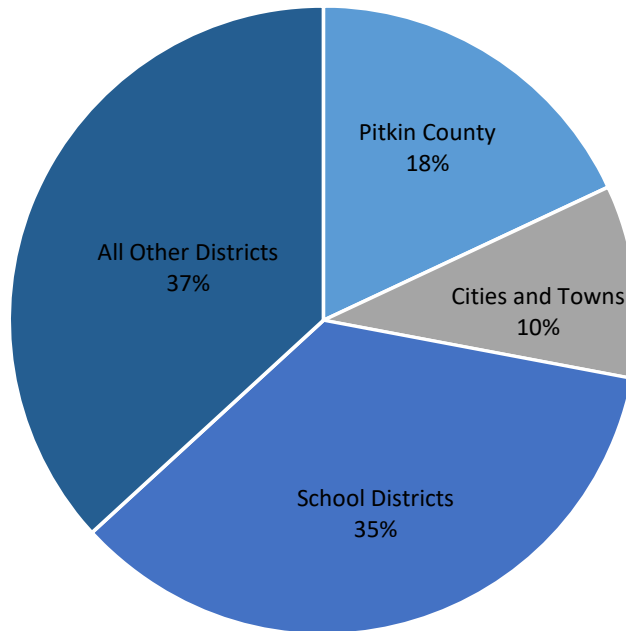
Pitkin County, Colorado
Property Tax Levies - Direct and Overlapping Governments
Last Ten Years

(rate per \$1,000 of assessed value)

<u>Levy Year</u>	<u>Collection Year</u>	<u>Pitkin County</u>	<u>Cities and Towns</u>	<u>School Districts</u>	<u>All Other Districts</u>	<u>Total</u>
2009	2010	20,820,345	12,253,994	50,654,435	27,048,066	110,776,840
2010	2011	21,134,133	11,939,110	52,156,239	32,057,657	117,287,139
2011	2012	19,498,616	11,626,123	42,806,294	29,217,657	103,148,690
2012	2013	19,862,840	11,791,508	42,738,085	31,078,410	105,470,843
2013	2014	19,492,533	11,780,966	40,966,215	29,422,230	101,661,944
2014	2015	19,740,745	12,092,259	40,972,920	31,776,826	104,582,750
2015	2016	21,412,997	12,380,020	46,317,967	34,180,010	114,290,994
2016	2017	21,673,059	12,705,774	46,026,965	36,980,529	117,386,327
2017	2018	22,749,136	13,019,692	46,786,309	37,823,119	120,378,256
2018	2019	24,070,534	13,268,938	47,031,750	49,143,035	133,514,257

Source:
Pitkin County Assessor - Abstract of Assessment

Property Tax Levied in 2018



**Pitkin County, Colorado
Principal Property Tax Payers
Current Year and Nine Years Ago**

<u>Taxpayer</u>	<u>2018</u>			<u>2009</u>		
	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>	<u>Assessed Value</u>	<u>Rank</u>	<u>Percentage of Total Assessed Value</u>
Aspen Skiing Company	\$ 65,465,430	1	2.10%	\$ 58,365,910	1	1.88%
Aspen Owner LLC	31,467,150	2	1.01%			
Silvertree Property Co	19,371,090	3	0.62%	15,041,210	6	0.48%
Iconic Properties Jerome LLC	17,359,740	4	0.56%			
Hyatt Grand Aspen	14,448,200	5	0.46%	15,980,030	5	0.51%
Residences at the Little Nell Condo Assoc	14,289,590	6	0.46%	14,842,770	7	0.48%
Holy Cross Electric Assn.	11,695,800	7	0.38%			
Ajax Mountain Associates LLC	10,579,650	8	0.34%			
Cox Anthony E Living Trust	10,484,980	9	0.34%			
Brand Building LLC	10,125,430	10	0.33%			
Base Village Owner LLC				26,245,890	2	0.84%
Sheridan Luxury Trust, Aspen Dean Street LLC				23,635,000	3	0.76%
Ritz Carlton/Aspen Highlands Condo Asso				17,466,850	4	0.56%
New Limelight LLC				14,700,250	8	0.47%
Hotel Jerome Inc/ Jerome Venture LLC				13,420,410	9	0.43%
Carroll Drive Properties LLC				9,735,590	10	0.31%
Total	<u>\$ 205,287,060</u>		<u>6.60%</u>	<u>\$ 209,433,910</u>		<u>6.73%</u>

Source:
Pitkin County Assessor

Pitkin County, Colorado
Property Tax Levies and Collections¹
Last Ten Years

<u>Assessment and Levy Year</u>	<u>Collection Year</u>	<u>Collected within the Fiscal Year Following the Levy</u>			<u>Adjusted Tax Levied⁴</u>	<u>Total Collections for Tax Year</u>	
		<u>Taxes Levied for the Fiscal Year²</u>	<u>Amount Collected in Collection Year³</u>	<u>Percentage of Levy</u>		<u>Amount</u>	<u>Percentage of Levy</u>
2008	2009	22,115,631	21,997,903	99.47%	21,964,284	21,890,612	99.66%
2009	2010	24,293,412	24,060,907	99.04%	24,115,851	24,091,526	99.90%
2010	2011	24,725,448	23,803,551	96.27%	24,603,378	24,589,689	99.94%
2011	2012	23,282,728	23,037,940	98.95%	23,130,181	23,113,377	99.93%
2012	2013	23,750,999	23,588,147	99.31%	23,720,122	23,694,299	99.89%
2013	2014	23,448,294	23,285,583	99.31%	23,347,020	23,332,975	99.94%
2014	2015	24,192,179	23,898,832	98.79%	24,099,720	24,090,282	99.96%
2015	2016	26,221,787	26,012,432	99.20%	26,089,474	26,081,863	99.97%
2016	2017	26,731,035	26,580,734	99.44%	26,689,341	26,666,330	99.91%
2017	2018	28,068,988	28,010,645	99.79%	27,996,684	27,992,444	99.98%

Source:
Pitkin County Assessor
Pitkin County Treasurer

¹ Schedule includes the discretely presented component unit (Library District).

² Taxes are levied and collected in the subsequent year.

³ Total current and delinquent years' taxes collected less refunds of abated taxes paid.

⁴ Adjusted tax levied is net of reductions from successful taxpayer protests of property valuations.

**Pitkin County, Colorado
Sales Tax Receipts
Last Ten Years**

Year	2% County Sales Tax ¹		1% Transit Sales Tax ²							County Share of Sales Tax Receipts	Total Sales Tax Receipts
	2% County Sales Tax Receipts	County Share of 2% Sales Tax Receipts (43%)	1% Transit Sales Tax Receipts	City of Aspen Share of 1% Transit Sales Tax Receipts	Town of Snowmass Village Share of 1% Transit Sales Tax Receipts	RFTA Share of 1% Transit Sales Tax Receipts	.5% Transit Sales Tax Receipts	.1% Healthy Rivers and Streams Sales Tax Receipts			
2009	13,313,300	5,724,719	6,393,062	2,636,622	679,459	3,076,981	3,371,170	649,456	9,745,345	23,726,988	
2010	14,148,776	6,083,974	6,825,847	2,830,663	709,904	3,285,280	3,580,664	691,832	10,356,470	25,247,119	
2011	15,215,285	6,542,573	7,366,067	3,048,981	771,798	3,545,288	3,798,447	752,712	11,093,732	27,132,511	
2012	15,659,281	6,733,491	7,586,027	3,132,143	802,730	3,651,154	3,913,565	781,400	11,428,456	27,940,273	
2013	16,737,908	7,197,300	8,132,860	3,327,320	891,195	3,914,345	4,998,934	836,895	13,033,129	30,706,597	
2014	18,153,402	7,805,963	9,015,888	3,708,007	968,534	4,339,347	4,567,135	907,670	13,280,768	32,644,095	
2015	19,542,928	8,403,459	9,771,466	4,024,448	1,044,012	4,703,006	4,929,637	977,146	14,310,242	35,221,177	
2016	20,243,491	8,704,701	10,121,745	4,192,191	1,057,958	4,871,596	5,106,873	1,018,512	14,830,086	36,490,621	
2017	21,235,704	9,131,353	10,617,852	4,376,670	1,130,810	5,110,372	5,357,764	1,061,785	15,550,902	38,273,105	
2018	22,429,526	9,644,696	11,214,763	4,586,389	1,230,709	5,397,665	5,669,869	1,121,476	16,436,041	40,435,634	

Source:
Pitkin County Finance Department - Colorado State Sales Tax Distribution

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 previous years.

² 100% of the 1% Transit sales tax is passed through to the entities shown above. As such, it is not included in the total County share represented on this chart.

Pitkin County, Colorado
Principal Sales Tax Remitters
Current Year and Nine Years Ago

2018	
Business Name ¹	Industry
Aspen Skiing Co LLC	Tourist Accomodations
Black Hills Gass Distribution, LLC	Utility
Destination Resorts	Tourist Accomodations
Holy Cross Electric Association	Utility
Hotel Jerome	Tourist Accomodations
Kroger/City Market	Food and Drug
Limelight Lodge	Tourist Accomodations
Silvertree Hotel	Tourist Accomodations
The St. Regis Hotel	Tourist Accomodations
Trajen FBO Network	Private Aircraft Services

2009	
Business Name ¹	Industry
City Market	Food and Drug
Clark's Market	Food and Drug
Harbert Lumber Company	Building Materials
Holy Cross Electric Association	Utility
Silvertree Hotel & The Brothers Grill	Tourist Accomodations
Source Gas Distribution	Utility
The Little Nell Hotel	Tourist Accomodations
The St. Regis Hotel	Tourist Accomodations
Trajen FBO Network	Private Aircraft Services
US West Communications	Utility

Source:
Pitkin County Finance Department
Colorado Department of Revenue

¹Business names are listed in alphabetical order.

Pitkin County, Colorado
Sales Tax Revenue Bond Coverage
2010 Sales Tax Revenue Bonds
Last Nine Years¹

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Maximum Annual Debt Service Coverage:									
County 1% Sales Tax ²	\$ 6,825,847	\$ 7,366,067	\$ 7,586,027	\$ 8,132,860	\$ 9,015,888	\$ 9,771,466	\$ 10,121,745	\$ 10,617,852	\$ 11,214,763
Interest Income	2,947	1,930	1,930	893	1,032	1,142	2,058	10,582	3,948
Total Pledged Revenues ³	<u>6,828,794</u>	<u>7,367,997</u>	<u>7,587,957</u>	<u>8,133,753</u>	<u>9,016,920</u>	<u>9,772,608</u>	<u>10,123,803</u>	<u>10,628,434</u>	<u>11,218,711</u>
Maximum Annual Debt Service	658,350	658,350	658,350	658,350	658,350	658,350	658,350	658,350	658,350
Annual Coverage Factor (Times Coverage) ⁴	10.37	11.19	11.53	12.35	13.70	14.84	15.38	16.14	17.04
Annual Surplus	<u>\$ 6,170,444</u>	<u>\$ 6,709,647</u>	<u>\$ 6,929,607</u>	<u>\$ 7,475,403</u>	<u>\$ 8,358,570</u>	<u>\$ 9,114,258</u>	<u>\$ 9,465,453</u>	<u>\$ 9,970,084</u>	<u>\$ 10,560,361</u>

Source:
Pitkin County Finance Department

¹ Debt issuance occurred in 2010, data is only provided since issuance.

² The intergovernmental agreement directing the distribution of the 1% sales taxes provides that distributions to RFTA and municipalities are subordinate to debt service requirements.

³ The 1% sales tax and interest earned on the debt service fund are pledged as security for these bonds.

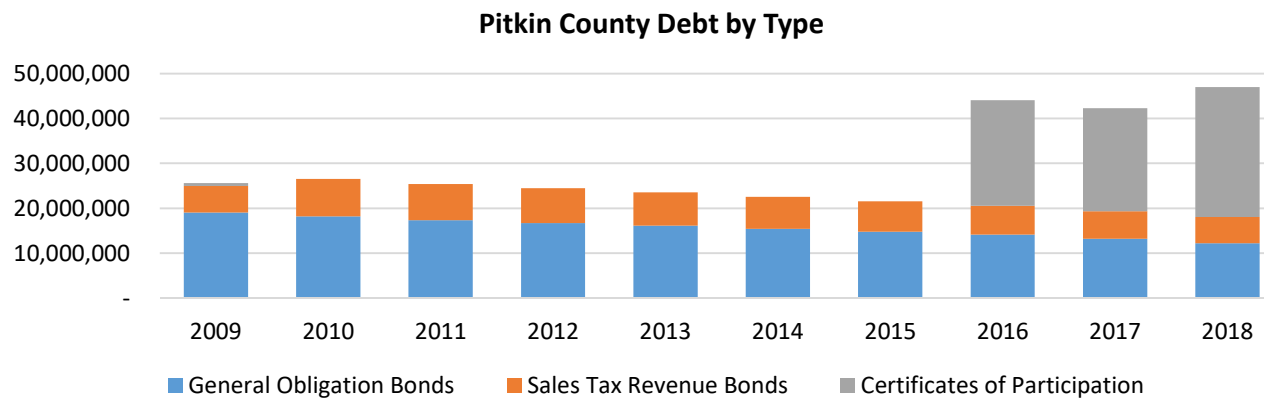
⁴ The bond covenants do not require a specific coverage factor. However, before additional parity bonds can be issued, historical coverage of existing and proposed debt service must be at least two times pledged revenue.

**Pitkin County, Colorado
Outstanding Debt by Type
Last Ten Years**

Fiscal Year	Governmental Activities				Business-Type	Total Primary Government	Percentage of Estimated Personal Income ¹	Total Debt Per Capita
	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Special Assessment Bonds	Airport Loans			
2009	19,035,000	5,955,000	625,000	50,632	1,557,997	27,223,629	1.73%	1,601
2010	18,175,000	8,362,616	-	44,600	1,246,831	27,829,047	1.84%	1,622
2011	17,300,000	8,077,425	-	38,206	926,055	26,341,686	1.66%	1,538
2012	16,695,000	7,772,241	-	31,428	595,333	25,094,002	1.31%	1,457
2013	16,110,000	7,457,063	-	24,244	404,620	23,995,927	1.34%	1,382
2014	15,435,000	7,136,893	-	16,629	-	22,588,522	1.02%	1,284
2015	14,740,000	6,811,730	-	8,557	-	21,560,287	0.92%	1,212
2016	14,090,000	6,481,574	23,532,188	-	-	44,103,762	1.89%	2,484
2017	13,170,000	6,141,426	23,016,291	-	-	42,327,717	1.75%	2,366
2018	12,220,000	5,791,426	29,021,245	-	-	47,032,671	1.83%	2,620

Source:
Pitkin County Finance Department (CAFR)

¹ Pitkin County Estimated Personal Income. See page J20 for additional details.



Pitkin County, Colorado
Ratios of Bonded Debt Outstanding
Last Ten Years

Fiscal Year	General Obligation Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Special Assessment Bonds	Other Loans	Total Bonded General Obligation Debt Outstanding	Percentage of Actual Taxable Value of Property	General Bonded Debt Per Capita
2008	\$ 19,860,000	\$ 6,320,000	\$ 915,000	\$ 56,323	\$ 1,859,865	\$ 19,860,000	0.07%	\$ 1,207
2009	19,035,000	5,955,000	625,000	50,632	1,557,997	19,035,000	0.05%	1,119
2010	18,175,000	8,362,616	-	44,600	1,246,831	18,175,000	0.05%	1,059
2011	17,300,000	8,077,425	-	38,206	926,055	17,300,000	0.06%	1,010
2012	16,695,000	7,772,241	-	31,428	595,333	16,695,000	0.06%	969
2013	16,110,000	7,457,063	-	24,244	404,620	16,110,000	0.07%	928
2014	15,435,000	7,136,893	-	16,629	-	15,435,000	0.06%	877
2015	14,740,000	6,811,730	-	8,557	-	14,740,000	0.05%	829
2016	14,090,000	6,481,574	23,532,188	-	-	14,090,000	0.05%	794
2017	13,170,000	6,141,426	23,016,291	-	-	13,170,000	0.04%	736
2018	12,220,000	5,791,426	29,021,245	-	-	12,220,000	0.04%	681

Source:
Pitkin County Finance Department (CAFR)

Pitkin County, Colorado
Computation of Legal Debt Margin
General Obligation Debt
Last Ten Years

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Computation of legal debt limit:										
Taxable assessed valuation	\$ 3,667,491,080	\$ 3,683,830,340	\$ 2,768,117,000	\$ 2,761,028,490	\$ 2,599,004,220	\$ 2,609,828,700	\$ 2,943,772,090	\$ 2,942,709,910	\$ 3,101,450,300	\$ 3,111,898,630
Plus exempt property	94,300,400	104,990,300	95,167,200	95,539,100	86,166,700	147,450,000	154,228,100	206,619,000	218,644,500	220,296,000
Total assessed value	3,761,791,480	3,788,820,640	2,863,284,200	2,856,567,590	2,685,170,920	2,757,278,700	3,098,000,190	3,149,328,910	3,320,094,800	3,332,194,630
Legal debt limit percentage ¹	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Legal debt limit	112,853,744	113,664,619	85,898,526	85,697,028	80,555,128	82,718,361	92,940,006	94,479,867	99,602,844	99,965,839
Amount of debt applicable to limit:										
General obligation bonds	19,035,000	18,175,000	17,300,000	16,695,000	16,110,000	15,435,000	14,740,000	14,090,000	13,170,000	12,220,000
Legal debt margin	<u>\$ 93,818,744</u>	<u>\$ 95,489,619</u>	<u>\$ 68,598,526</u>	<u>\$ 69,002,028</u>	<u>\$ 64,445,128</u>	<u>\$ 67,283,361</u>	<u>\$ 78,200,006</u>	<u>\$ 80,389,867</u>	<u>\$ 86,432,844</u>	<u>\$ 87,745,839</u>
Total debt applicable to the limit as a percentage of debt limit	16.87%	15.99%	20.14%	19.48%	20.00%	18.66%	15.86%	14.91%	13.22%	12.22%

Source:
Colorado Revised Statute 30-26-301
Pitkin County Finance Department (CAFR)

¹ Per Colorado Revised Statute 30-35-201 (6b)

Pitkin County, Colorado
Demographic and Economic Statistics
Last Ten Years

Fiscal Year	Population¹	Estimated Total Personal Income (in thousands)	Per Capita Income¹	Unemployment Rate²
2009	17,008	1,570,332	92,329	5.9%
2010	17,158	1,509,321	87,966	7.5%
2011	17,129	1,590,154	92,834	6.7%
2012	17,223	1,910,375	110,920	6.7%
2013	17,361	1,789,659	103,085	6.0%
2014	17,595	2,208,137	125,498	3.7%
2015	17,782	2,339,435	131,562	3.0%
2016	17,752	2,414,716	136,025	2.6%
2017	17,890	2,572,797	143,812	3.0%
2018	17,950 ⁴	- ³	³	4.2%

Source:

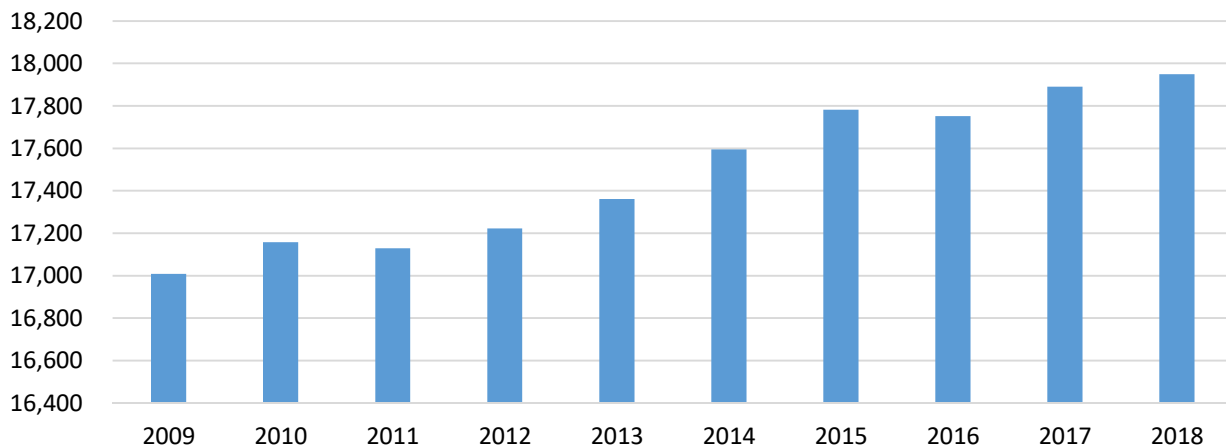
¹ Pitkin County Per Capita Income figures per U.S. Department of Commerce, Bureau of Economic Analysis (<http://www.bea.gov>).

² U.S. Bureau of Labor Statistics

³ Information was not available at the time of publishing.

⁴ Population data was not available through the U.S. Department of Commerce for 2017 at the time of publishing. Therefore, a population estimate was used from the U.S. Census Bureau.

Population for Pitkin County



**Pitkin County, Colorado
Principal Employers
Current Year and Nine Years Ago**

Employers	2018			2009		
	Number of Employees¹	Rank	Percentage of Total County Employment	Number of Employees	Rank	Percentage of Total County Employment
Aspen Skiing Company ²	3,400	1	29.45%	3,600	1	30.13%
Aspen Skiing Company Hotels 2	650	2	5.63%			
Westin Hotel & Wildwood of Snowmass 3	405	3	3.51%	218	8	1.82%
Aspen Valley Hospital	381	4	3.30%	389	2	3.26%
Roaring Fork Transit	357	5	3.09%	250	6	2.09%
Pitkin County	354	6	3.07%	256	5	2.14%
St Regis Aspen	350	7	3.03%	268	4	2.24%
City of Aspen	295	8	2.56%	354	3	2.96%
Hotel Jerome	270	9	2.34%			
Viceroy Snowmass Resort	268	10	2.32%	150	10	1.26%
Aspen School District				238	7	1.99%
Ritz Carlton				188	9	1.57%
Total	6,730		58.29%	5,911		49.46%
Total Pitkin County Labor Force	11,545			11,950		

Source:

Colorado Department of Labor website
Individual employers

¹ The number of employees can vary based on season in Pitkin County. As such, the largest number of employees at any point in the year has been presented for each employer.

² In 2009, the number of employees for the Aspen Skiing Company included employees for the Little Nell Hotel. In 2018, the Aspen Skiing Company Hotels, which include the Little Nell Hotel, Limelight Aspen, Limelight Snowmass are presented separately.

³ These two hotels are under the same management company and are combined.

Pitkin County, Colorado
Full-Time Equivalent County Government Employees¹
Last Ten Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Assessor	10.00	10.00	10.00	10.00	10.00	10.00	10.00	11.00	11.00	11.00
Board of County Commissioners	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Clerk and Recorder	10.55	10.55	10.55	11.55	10.55	10.55	12.25	11.25	11.25	11.25
County Attorney	5.00	5.00	5.00	5.00	6.00	6.00	6.00	6.00	5.00	5.00
County Manager	4.80	4.80	4.80	4.80	4.80	4.80	4.80	7.80	7.80	8.00
Facilities	9.75	9.75	8.75	9.75	9.75	11.35	11.75	11.75	12.75	15.15
Finance	8.80	8.80	7.80	7.80	7.00	8.00	8.00	10.00	10.00	12.00
Human Resources	3.80	4.00	4.00	4.00	4.00	4.00	4.00	6.00	6.00	6.00
Technology (BITS)	1.00	-	-	-	3.00	4.00	10.00	10.00	10.00	10.00
Transit Sales & Use Tax	-	1.00	1.00	1.00	1.00	1.00	1.00	-	-	1.00
Treasurer	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Judicial and Public Safety										
Building Inspections	7.00	6.00	5.00	5.00	7.00	7.00	8.00	8.00	9.00	9.00
Detention	12.80	13.80	14.00	14.00	14.00	14.00	15.00	15.00	15.00	15.00
Dispatch	16.00	16.00	17.00	17.00	14.00	14.00	14.00	15.00	15.80	15.80
Planning and Zoning	10.50	10.00	10.00	8.60	8.00	8.00	9.00	9.00	10.00	10.00
Radio/Phones	2.00	2.00	2.00	2.00	1.00	1.00	1.00	1.00	1.00	1.00
Sheriff	28.00	29.00	29.00	28.75	28.75	28.75	28.75	28.00	28.00	28.00
Public Works										
Administrative Services	6.00	5.00	5.00	4.00	4.00	4.00	5.00	5.00	5.00	5.00
Fleet Services	6.00	6.00	6.00	6.00	6.00	6.00	7.00	7.00	8.00	8.00
Land Management	1.00	1.00	-	-	-	-	-	-	-	-
Road and Bridge	10.00	10.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Telecommunications	1.00	1.00	1.00	-	1.00	1.00	1.00	2.00	3.00	3.00
Health and Welfare										
Animal Safety	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Environmental Health	5.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	-
Healthy Community Fund	-	-	-	-	-	0.50	0.50	0.80	0.80	0.80
Human Services	5.00	5.00	5.00	7.80	8.80	9.00	9.00	12.53	14.53	15.28
Public Health ²	-	-	-	-	-	-	-	-	3.00	7.00
Senior Services	5.20	5.20	5.20	5.28	5.28	5.28	5.38	5.38	5.38	5.38
Cultural and Recreation										
Open Space and Trails	5.00	7.00	7.00	7.00	9.00	9.00	9.00	11.00	12.00	12.00
Business-type										
Airport Operations	24.00	24.00	25.00	25.00	25.00	25.00	25.00	27.00	30.00	33.00
Solid Waste and Recycling	12.00	11.00	10.00	10.00	10.00	10.00	10.00	13.00	14.00	14.00
Component Unit										
Library District	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00	22.00
	<u>241.80</u>	<u>239.50</u>	<u>235.70</u>	<u>236.93</u>	<u>240.53</u>	<u>244.83</u>	<u>258.03</u>	<u>276.11</u>	<u>290.91</u>	<u>302.26</u>

Source:
Pitkin County Budget

¹ The numbers presented above are the number of FTE's (full-time equivalents) rounded to the nearest hundredth. These numbers are approved staffing for the year indicated.

² Public Health functions were outsourced until 2017 when Pitkin County started to perform the functions in-house.

³ At the beginning of 2018, Environmental Health was moved to Public Health and is included in those FTE counts going forward.

Pitkin County, Colorado
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Government										
Assessor										
Property transfers	1,288	1,474	1,690	1,639	1,803	2,192	1,655	1,564	1,569	1,690
Public Trustee										
Number of foreclosures filed	105	144	113	113	57	28	23	17	14	17
Clerk and Recorder										
Number of vehicle registrations	18,447	17,687	18,099	18,131	18,613	19,469	19,667	20,077	19,959	18,583
Number of registered voters	13,537	13,617	13,751	14,619	15,135	15,595	14,871	15,280	14,985	15,349
Human Resources										
Number of job applications processed	634	1,042	818	1,392	1,243	1,354	712	1,211	871	832
Public Safety										
Coroner										
Number of deaths investigated	21	22	28	24	26	45	28	25	38	24
Detention										
Average daily population	16	17	16	17	16	17	15	20	15	18
District Attorney										
Number of felony cases	100	94	114	80	89	51	51	74	91	116
Number of juvenile cases	23	49	22	17	34	28	28	5	29	14
Sheriff										
Incidents handled by patrol and investigations	813	832	776	859	956	761	747	914	879	999
Building Inspections										
Number of building permits issued	282	320	290	378	346	460	488	417	360	386
Planning and Zoning										
Number of land use applications processed	172	148	143	154	137	148	139	135	144	133
Public Works										
Road and Bridge										
County roads (center lane miles)	265	265	265	265	265	265	265	265	265	265
Bridges	26	24	24	24	24	24	24	24	24	24
Public Health and Welfare										
Animal Control										
Number of animals placed in shelter	162	147	159	135	147	125	97	72	79	88
Environmental Health										
Number of food service inspections	165	167	155	143	170	153	161	101	85	148
Number of septic system permit reviews	45	66	84	83	109	133	132	139	145	123
Grant Administration										
Number of County grant applications processed	71	76	77	75	72	74	72	68	66	69
Senior Services										
Number of senior lunches	10,735	11,438	10,935	10,143	10,523	9,731	9,657	9,205	9,110	9,653
Number of requests for transportation	7,399	7,906	8,206	7,242	8,475	7,582	6,677	5,892	6,018	5,163
Human Services Public Assistance										
Caseload	328	346	435	428	480	768	1,234	1,351	1,458	1,367

Pitkin County, Colorado
Operating Indicators by Function/Program (continued)
Last Ten Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Cultural and Recreation										
Open Space and Trails										
Acres of conserved open space land	17,753	18,500	18,630	18,799	19,314	19,680	19,981	20,137	20,144	20,147
Trails maintained (lane miles)	47.00	47.88	48.00	42.05	68.00	73.07	73.07	73.07	75.97	84.00
Business-type										
Airport Operations										
Number of enplaned passengers	219,678	227,784	223,078	220,376	211,749	224,311	209,306	250,266	244,028	284,172
Solid Waste and Recycling										
Cubic yards of solid waste processed	220,000	106,000	112,585	120,633	131,305	N/A	N/A	N/A	N/A	N/A
Tons of solid waste processed	N/A	N/A	N/A	N/A	N/A	49,127	64,119	67,146	75,236	62,850
Recycled tons processed	N/A	N/A	N/A	N/A	N/A	1,930	2,430	2,179	2,330	2,406
Component Unit										
Library										
Number of books	111,599	112,491	93,277	95,402	83,365	78,647	78,952	77,393	75,797	69,776

Source:
Pitkin County Offices/Departments

Pitkin County, Colorado
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General government										
Land	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452	\$ 2,263,452
Buildings	6,702,330	6,858,306	6,821,667	7,526,440	6,864,477	2,870,554	6,168,998	9,761,069	9,761,069	33,638,721
Improvements	157,340	157,340	157,339	157,340	140,145	55,430	169,005	169,005	169,005	169,005
Equipment	3,004,281	3,234,512	3,033,682	3,057,557	3,064,379	774,271	2,179,166	2,294,512	2,084,057	2,198,553
Infrastructure	32,768	32,768	32,768	32,768	32,768	15,874	32,768	32,768	32,768	32,768
Total General Government	12,160,171	12,546,378	12,308,908	13,037,557	12,365,221	5,979,581	10,813,389	14,520,806	14,310,351	38,302,499
Public Safety										
Land	392,693	392,693	392,693	392,693	392,693	392,693	392,693	392,693	392,693	392,693
Buildings	4,260,770	4,255,455	4,243,280	4,243,280	4,243,280	1,461,886	4,243,280	4,243,280	4,243,280	4,243,280
Improvements	23,696	23,696	23,696	23,696	23,696	6,866	23,695	23,695	23,695	23,695
Equipment	3,317,375	3,932,875	3,887,338	4,541,652	4,130,563	2,106,819	3,704,003	4,851,566	5,309,666	7,472,071
Total Public Safety	7,994,534	8,604,719	8,547,007	9,201,321	8,790,232	3,968,264	8,363,671	9,511,234	9,969,334	12,131,739
Public Works										
Land	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275	2,806,275
Buildings	8,631,737	8,631,737	8,652,750	8,730,166	9,471,921	10,351,889	11,563,661	11,563,661	11,563,661	11,563,661
Improvements	658,646	658,646	658,646	658,646	454,293	70,316	448,296	448,296	448,296	448,296
Equipment	4,389,229	5,853,702	5,880,409	5,854,744	5,841,383	3,508,127	7,047,306	7,509,103	7,977,472	9,362,175
Infrastructure	30,175,659	31,275,659	31,275,662	31,705,731	31,705,731	19,084,399	38,877,807	39,286,901	39,517,219	41,433,924
Intangible Assets	501,996	501,995	501,992	501,995	501,995	501,992	501,995	501,995	529,543	529,543
Total Public Works	47,163,542	49,728,014	49,775,734	50,257,557	50,781,598	36,322,998	61,245,340	62,116,231	62,842,466	66,143,874
Health and Welfare										
Land	-	-	-	-	-	-	-	-	-	6,372,020
Buildings	4,290,099	4,389,292	4,379,922	4,391,525	4,381,357	1,935,470	4,380,034	4,380,034	4,380,034	5,036,520
Improvements	95,243	81,380	15,473	15,472	15,473	6,640	15,473	15,473	15,473	15,473
Equipment	148,807	148,807	146,518	146,520	146,518	69,657	239,537	320,873	325,225	325,225
Infrastructure	56,373	56,373	56,373	56,374	56,373	27,309	56,373	56,373	56,373	56,373
Intangible Assets	-	-	-	-	-	-	-	-	4,000	1,537,487
Total Health and Welfare	4,590,522	4,675,852	4,598,286	4,609,891	4,599,721	2,039,076	4,691,417	4,772,753	4,781,105	13,343,098
Cultural and Recreation										
Land	65,603,726	80,926,544	80,926,544	81,468,748	84,095,137	88,196,999	95,833,434	99,003,068	101,545,674	101,716,319
Buildings	59,181	59,181	651,132	782,763	782,763	660,639	782,763	782,763	782,763	782,763
Improvements	488,870	488,870	1,344,263	1,344,263	1,358,710	804,643	1,358,710	1,333,626	1,469,803	3,648,888
Equipment	464,085	491,718	356,682	367,977	395,643	206,680	601,185	687,442	969,819	1,313,370
Infrastructure	10,054,340	13,487,947	14,587,896	14,958,175	15,414,417	8,323,801	18,101,669	18,215,933	18,785,916	19,067,617
Intangible Assets	43,473,026	45,548,027	45,548,029	45,548,026	45,415,158	45,415,160	45,911,162	47,915,557	47,915,557	48,291,727
Total Cultural and Recreation	120,143,228	141,002,287	143,414,546	144,469,952	147,461,828	143,607,922	162,588,923	167,938,389	171,469,532	174,820,684
Construction in Progress	3,875,926	1,649,975	627,942	742,029	6,553,691	1,108,049	990,101	3,755,295	17,880,709	4,502,861
Total Governmental	\$ 192,051,997	\$ 216,557,250	\$ 218,644,481	\$ 221,576,278	\$ 223,998,600	\$ 191,917,841	\$ 247,702,740	\$ 258,859,413	\$ 263,372,788	\$ 304,741,894

(continued)

Pitkin County, Colorado
Capital Asset Statistics by Function/Program (continued)
Last Ten Years

Function/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type										
Airport										
Land	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279	\$ 7,873,279
Buildings	18,749,257	18,749,257	18,749,257	18,970,151	18,963,831	12,391,941	18,872,386	19,607,863	19,953,176	22,165,599
Improvements	51,970,342	52,118,955	52,143,270	56,555,696	56,555,696	51,224,968	77,804,978	77,804,978	77,804,978	77,804,978
Equipment	7,369,076	8,651,643	8,153,276	9,214,724	9,304,840	4,366,797	10,792,295	10,883,267	13,025,609	13,330,136
Construction in Progress	4,318,461	5,302,255	18,885,024	21,435,097	21,921,987	1,714,831	332,900	25,000	1,708,099	1,512,418
Intangible Assets	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956	2,955,956
Total Airport	93,236,371	95,651,345	108,760,062	117,004,903	117,575,589	80,527,772	118,631,794	119,150,343	123,321,097	125,642,366
Solid Waste Center										
Land	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Buildings	530,811	382,581	382,581	998,218	998,218	750,438	1,070,339	1,052,151	1,052,151	1,052,151
Improvements	1,629,664	1,629,664	1,629,664	1,655,528	1,655,528	887,151	1,668,891	1,680,784	1,680,784	1,680,784
Equipment	1,094,024	1,094,024	1,426,600	1,446,981	1,441,580	543,190	4,463,163	4,439,688	4,797,882	6,070,800
Infrastructure	-	-	-	-	-	-	-	-	-	561,058
Construction in Progress	-	31,990	29,762	-	-	194,680	-	132,273	527,798	82,150
Total Solid Waste Center	3,304,499	3,188,259	3,518,607	4,150,727	4,145,326	2,425,459	7,252,393	7,354,896	8,108,615	9,496,943
Total Business-type	\$ 96,540,870	\$ 98,839,604	\$ 112,278,669	\$ 121,155,630	\$ 121,720,915	\$ 82,953,231	\$ 125,884,187	\$ 126,505,239	\$ 131,429,712	\$ 135,139,309

Source:
Pitkin County Finance Department

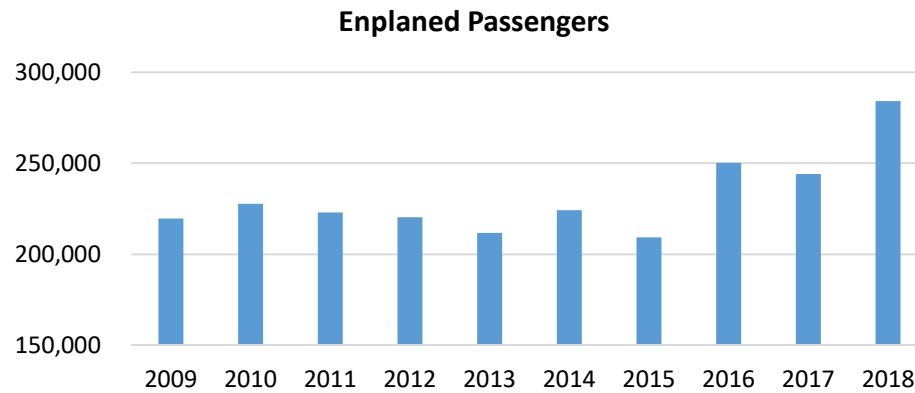
Pitkin County, Colorado
Aspen-Pitkin County Airport Operations and Enplaned Passengers
Last Ten Years

Year	Itinerant Operations ¹			Local Operations ²		Total Operations	Percent Change	Enplaned Passengers	Percent Change
	Air Carrier	General Aviation	Total	General Aviation	Total				
2009	18,606	19,767	38,373	1,413	39,786	-12.06%	219,678	-1.44%	
2010	17,643	16,092	33,735	3,868	37,603	-5.81%	227,784	3.69%	
2011	18,336	15,753	34,089	3,516	37,605	0.01%	223,078	-2.07%	
2012	18,282	14,985	33,267	3,550	36,817	-2.14%	220,376	-1.21%	
2013	17,735	14,266	32,001	3,268	35,269	-4.39%	211,749	-3.91%	
2014	17,642	14,060	31,702	3,578	35,280	0.03%	224,311	5.93%	
2015	18,660	15,603	34,263	4,931	39,194	9.99%	209,306	-6.69%	
2016	19,558	16,586	36,144	5,196	41,340	5.19%	250,266	19.57%	
2017	20,491	16,156	36,647	5,779	42,426	2.56%	244,028	-2.49%	
2018	21,104	15,874	36,978	4,260	41,238	-2.88%	284,172	16.45%	

Source:
Aspen/Pitkin County Airport

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

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

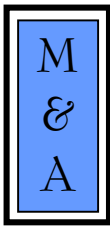


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Statutory Report Section

Single Audit Reports and Schedules

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Pitkin County, Colorado (the "County") as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 12, 2019.

Internal Control Over Financial Reporting

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

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

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

Member: American Institute of Certified Public Accountants

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

Compliance and Other Matters

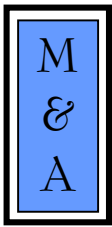
As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect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

Purpose of this Report

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

McMahan and Associates, L.L.C.

McMahan and Associates, L.L.C.
June 12, 2019



McMAHAN AND ASSOCIATES, L.L.C.

Certified Public Accountants and Consultants

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

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

Report on Compliance for Each Major Program

We have audited the compliance of Pitkin County, Colorado (the "County") with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs for the year ended December 31, 2018 and its compliance with the compliance requirements described in the *Passenger Facility Charge Audit Guide for Public Agencies* (the "Guide"), issued by the Federal Aviation Administration, for its Passenger Facility Charge program for the year ended December 31, 2018. The County's major federal programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Member: American Institute of Certified Public Accountants

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

Opinion on Each Major Federal Program and Passenger Facility Charge Program

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and on its Passenger Facility Charge program for the year ended December 31, 2018.

Report on Internal Control Over Compliance

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

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

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

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

McMahan and Associates, L.L.C.

**McMahan and Associates, L.L.C.
June 12, 2019**

Pitkin County, Colorado
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2018

Part I – Summary of Auditor’s Results

Financial Statements:

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

Federal Awards:

Internal control over major programs:	
Material weakness identified?	None reported
Significant deficiency identified?	None reported
Type of auditor’s report issued on compliance for major programs?	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Title 2, U.S. Code of Federal Regulations, Part 200?	No
Major programs:	
National Scenic Byways Grant	CFDA #20.205
Child Care and Development Grant	CFDA #93.575
Dollar threshold used to identify Type A from Type B programs:	\$750,000
Identified as low-risk auditee	Yes

Part II – Findings Related to Financial Statements

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

Part III – Findings Related to Federal Awards

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

Pitkin County, Colorado
SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS
For the Year Ended December 31, 2018
(Continued)

There were no findings for the year ended December 31, 2017.

Pitkin County, Colorado
Schedule of Expenditures of Federal Awards
For the Year Ended December 31, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures	
Department of Agriculture				
Passed through Colorado Department of Human Services				
Supplemental Nutrition Assistance Program (SNAP)	10.551	N/A	\$ 310	B
State Administrative Matching Grants for SNAP	10.561	N/A	128,431	B
Subtotal passed through Colorado Department of Human Services			128,741	
Passed through Department of Public Health and Environment				
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	10.557	N/A	16,677	
Total Department of Agriculture			145,418	
Environmental Protection Agency				
Passed through Colorado Department of Public Health and Environment				
Performance Partnership Grants - Radon Program	66.605	N/A	3,200	
Total Environmental Protection Agency			3,200	
Department of Transportation				
Federal Aviation Administration				
Airport Improvement Program - Environmental Assessment Phase I & II	20.106	03-08-0003-51	56,032	
Subtotal Federal Aviation Administration			56,032	
Passed through Colorado Department of Transportation				
Colorado Transportation Commission				
Congestion Mitigation Air Quality Grant	20.206	N/A	107,617	D
Passed through Colorado Department of Transportation				
Federal Highway Administration				
National Scenic Byways Grant	20.205	17-HA3-XC-00069	67,863	D
Subtotal passed through Colorado Department of Transportation			175,480	
Total Department of Transportation			231,512	
Department of Health and Human Services				
Passed through Colorado Department of Human Services				
Guardianship Assistance	93.090	N/A	1,031	
Promoting Safe and Stable Families	93.556	N/A	25,690	
Temporary Assistance for Needy Families (TANF)	93.558	N/A	60,138	C
Child Support Enforcement	93.563	N/A	49,006	
Child Care and Development Block Grant	93.575	N/A	122,861	A
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	N/A	83,610	A
Stephanie Tubbs Jones Child Welfare Services Program	93.603	N/A	556	
Child Welfare - Title IV-B	93.645	N/A	2,329	
Foster Care - Title IV-E	93.658	N/A	112,629	
Adoption Assistance - Title IV-E	93.659	N/A	4,922	
Social Services Block Grant - Title XX	93.667	N/A	53,495	
Subtotal passed through Colorado Department of Human Services			516,267	
Passed through Department of Health Care Policy and Financing				
Medicaid - Title XIX	93.778	N/A	233,625	E
Subtotal passed through Department of Health Care Policy and Financing			233,625	
Passed through Garfield County Department of Human Services				
Community Services Block Grant	93.569	N/A	18,235	
Subtotal passed through Garfield County Department of Human Services			18,235	

(continued)

Pitkin County, Colorado
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended December 31, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Grant Identifying Number	Federal Expenditures
Passed through Northwest Colorado Council of Governments			
Special Programs for the Aging - Title III, Part C - Nutrition Services 18-19	93.045	84 063-9906-2019	50,305 <i>F</i>
Special Programs for the Aging - Title III, Part C - Nutrition Services 17-18	93.045	84 063-9906-2018	33,189 <i>F</i>
	<i>Subtotal 93.045</i>		<u>83,494</u>
Nutrition Services Incentive Program	93.053	84 063-9906-2018	11,998 <i>F</i>
	<i>Subtotal passed through Northwest Colorado Council of Governments</i>		<u>95,492</u>
Passed through Colorado Department of Public Health and Environment			
HPP and PHEP Aligned Cooperative Agreements	93.074	N/A	22,967
Family Planning Services	93.217	N/A	47,228
Immunization Cooperative Agreements	93.268	N/A	885
PPHF Capacity Building Assistance, Immunization Infrastructure	93.539	N/A	4,720
Cancer Prevention and Control Programs	93.752	N/A	4,341
Preventive Health & Health Services Block Grant from PPHF	93.758	N/A	32,500
Colorectal Cancer Screening	93.800	N/A	531
Maternal and Child Health Services Block Grant to States	93.994	N/A	11,603
	<i>Subtotal passed through Colorado Department of Public Health and Environment</i>		<u>124,775</u>
	<i>Total Department of Health and Human Services</i>		<u>988,394</u>
Department of Homeland Security			
Passed through Colorado Department of Public Safety Division of Homeland Security and Emergency Management			
Emergency Management Performance Grant	97.042	17EM-18-50	48,750
Emergency Management Performance Grant	97.042	18EM-19-50	16,250
Hazard Mitigation Grant Program	97.039	17-D4229-16P	42,750
	<i>Total Department of Homeland Security</i>		<u>107,750</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 1,476,274</u>

Additional Information for Clusters:

A	CCDF Cluster	\$ 206,471
B	SNAP Cluster	\$ 128,741
C	TANF Cluster	\$ 60,138
D	Highway Planning & Construction Cluster	\$ 175,480
E	Medicaid Cluster	\$ 233,625
F	Aging Cluster	\$ 95,492

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Pitkin County, Colorado
Schedule of Expenditures of Federal Awards (continued)
For the Year Ended December 31, 2018

Notes to the Schedule of Expenditures of Federal Awards for the Year ended December 31, 2018:

General

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

Basis of Presentation

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

Indirect Facilities and Administration Costs

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

Sub-recipients of Grant Awards

Federal financial assistance provided to subrecipients is treated as an expenditure when it is paid to the subrecipient. During 2018, the following awards were granted to sub-recipients :

<u>Subrecipients of Grant Awards</u>	<u>Amount</u>
Department of Health and Human Services	
Family Planning Services	\$ 47,228
Immunization Cooperative Agreements	\$ 885
PPHF Capacity Building Assistance, Immunization Infrastructure	\$ 3,540
Cancer Prevention and Control Programs	\$ 4,341
Colorectal Cancer Screening	\$ 531

Sub-recipients of Non-Cash Federal Assistance

Federal financial non-cash assistance was provided to subrecipients, as shown below:

<u>Non-Cash Federal Assistance</u>	<u>Amount</u>
Department of Agriculture	
Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)	\$ 13,060
Department of Health and Human Services	
STD Prevention and Control Grant	\$ 3,400

CFDA and Contract Numbers

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

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